The Australian Economy and Financial Markets

Chart Pack | November 2018
The Australian Economy and Financial Markets

Contents

Graphs
World Economy 1–3
Australian Growth 4
Australian Inflation 5
Household Sector 6–7
Business Sector 8–9
Credit and Money 10
Factors of Production and Labour Market 11–12
Regions and Industry 13
Government 14
Commodity Prices 15
Balance of Payments and External Position 16–17
Interest Rates 18–22
Share Markets 23–24
Bond Issuance 25–26
Exchange Rates 27–28
Banking Indicators 29–30
**World Economy**

### GDP Growth – World

*Year-ended*

- **Major trading partners***: Weighted using Australian export shares
- **World****: PPP-weighted; accounts for 85 per cent of world GDP

Sources: ABS; CEIC Data; IMF; RBA; Refinitiv

### GDP Growth – Advanced Economies

*Year-ended*

- **US**
- **Japan**
- **Euro area**

Source: Refinitiv

### China – Contributions to GDP Growth

**GDP growth (per cent)**

Sources: CEIC Data; RBA

### GDP Growth – East Asia

*Year-ended*

- **Middle-income***: Indonesia, Malaysia, Philippines and Thailand; PPP-weighted
- **High-income****: Hong Kong, Singapore, South Korea and Taiwan; PPP-weighted

Sources: CEIC Data; IMF; RBA
World Economy

Headline Inflation – Advanced Economies*

Year-ended

<table>
<thead>
<tr>
<th>Year-ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>2012</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2018</td>
</tr>
</tbody>
</table>

* Personal consumption expenditure (PCE) inflation for the US; Japan data excludes the effects of the consumption tax increase in April 2014

Sources: RBA; Refinitiv

Labour Markets – Advanced Economies

Unemployment rate

<table>
<thead>
<tr>
<th>Year-ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2012</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>2016</td>
</tr>
<tr>
<td>2018</td>
</tr>
</tbody>
</table>

Wage growth*

<table>
<thead>
<tr>
<th>Year-ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
</tr>
<tr>
<td>2012</td>
</tr>
<tr>
<td>2009</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2018</td>
</tr>
</tbody>
</table>

* Average hourly earnings for the US; compensation per employee for the euro area; smoothed full-time base wages for Japan

Sources: ECB; Eurostat; RBA; Refinitiv

Inflation – East Asia

Year-ended

<table>
<thead>
<tr>
<th>Year-ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2002</td>
</tr>
<tr>
<td>2018</td>
</tr>
</tbody>
</table>

* Indonesia, Malaysia, Philippines and Thailand; PPP-weighted

** Hong Kong, Singapore, South Korea and Taiwan; PPP-weighted

Sources: CEIC Data; IMF; RBA; Refinitiv

Inflation – China and India

Year-ended

<table>
<thead>
<tr>
<th>Year-ended</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2010</td>
</tr>
<tr>
<td>2014</td>
</tr>
<tr>
<td>2018</td>
</tr>
</tbody>
</table>

Source: Bloomberg
China – Activity Indicators

Year-ended growth

Manufacturing PMI*
Industrial production

Fixed asset investment
Real retail sales

Sources: CEIC Data; Markit Economics; RBA

China – Residential Property Market*

Year-ended growth

Floor space sold
Prices
Real estate development investment**

Sources: CEIC Data; RBA

China – Financing*

Share of GDP

Total social financing flows**
Fiscal balance

Sources: CEIC Data; RBA

China – Output Indicators

2007 average = 100

Crude steel
Electricity generation
Cement
Plate glass

Sources: CEIC Data; RBA

* Diffusion index; average of the official and Caixin
** Investment by developers and other construction companies in the development of residential property; includes land purchases

World Economy
Australian Growth

GDP Growth

- Year-ended
- Quarterly

Source: ABS

Contributions to GDP Growth

- Year-ended

Sources: ABS; RBA

Mining and Non-mining Activity

- Year-ended growth, RBA estimates

* Net of mining-related imports; components are contributions to year-ended mining activity growth; contribution from changes in inventories not shown

Sources: ABS; RBA

State Final Demand

- Year-ended growth

Sources: ABS; RBA
Australian Inflation

**Consumer Price Inflation***

- Year-ended
- Quarterly (seasonally adjusted)

**Tradable and Non-tradable Inflation***

- Tradables**
- Non-tradables***

---

* Adjusted for the tax changes of 1999-2000
** Excludes volatile items (fruit, vegetables & automotive fuel)
*** Excludes interest charges prior to the September quarter 1998, and deposit & loan facilities prior to the September quarter 2011

Sources: ABS; RBA

---

**Underlying Inflation***

- Weighted median
- Trimmed mean
- CPI excl volatile items

---

* Excluding interest charges prior to the September quarter 1998 and adjusted for the tax changes of 1999-2000

Sources: ABS; RBA
Household Sector

**Household Income and Consumption***
- Real, year-ended growth
- Consumption
- Disposable income
- Saving ratio

*Household sector includes unincorporated enterprises; disposable income is after tax and interest payments; income level smoothed with a two-quarter moving average between March quarter 2000 and March quarter 2002; saving ratio is net of depreciation.

Sources: ABS; RBA

**Private Dwelling Investment***
- Chain volume, quarterly

*Reference year is 2015/16
Source: ABS

**Consumer Sentiment***
- Average since 1980 = 100

*Average of the ANZ-Roy Morgan and Westpac-Melbourne Institute consumer sentiment measure of respondents’ perceptions of their personal finances relative to the previous year; ANZ-Roy Morgan index rescaled to have the same average as the Westpac-Melbourne Institute index since 1996.

Sources: ANZ-Roy Morgan; RBA; Westpac and Melbourne Institute

**Private Residential Building Approvals***
- Monthly

Source: ABS
**Household Sector**

### Housing Prices and Household Debt*

*Ratio to annual household disposable income*

<table>
<thead>
<tr>
<th>Year-ended growth, seasonally adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing prices</td>
</tr>
<tr>
<td>Household debt</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1992</th>
<th>2000</th>
<th>2005</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

* Household disposable income is after tax, before the deduction of interest payments, and includes income of unincorporated enterprises.

Sources: ABS; APM; APRA; CoreLogic; RBA

### Household Wealth and Liabilities*

*Per cent of annual household disposable income*

<table>
<thead>
<tr>
<th>Sources: ABS; RBA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net wealth</td>
</tr>
<tr>
<td>Dwellings</td>
</tr>
<tr>
<td>Financial assets</td>
</tr>
<tr>
<td>Liabilities</td>
</tr>
</tbody>
</table>

### Housing Prices

*Year-ended growth, seasonally adjusted*

<table>
<thead>
<tr>
<th>2008</th>
<th>2010</th>
<th>2012</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>10</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>10</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>-5</td>
</tr>
<tr>
<td>10</td>
<td>15</td>
<td>10</td>
<td>5</td>
<td>0</td>
<td>-5</td>
</tr>
</tbody>
</table>

* ABS is a quarterly stratified median price index; Residex is a quarterly repeat sales price index.

** Monthly hedonic price index; non-seasonally adjusted

*** Monthly stratified median price index

Sources: ABS; APM; CoreLogic; RBA

### Housing Loan Approvals

<table>
<thead>
<tr>
<th>2002</th>
<th>2006</th>
<th>2010</th>
<th>2014</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>5</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>5</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>25</td>
</tr>
<tr>
<td>5</td>
<td>10</td>
<td>15</td>
<td>20</td>
<td>25</td>
</tr>
</tbody>
</table>

* Excludes refinancing

** Includes refinancing

Sources: ABS; RBA
Business Sector

**Business Investment***
Share of nominal GDP

- **Business Investment Components***
Share of nominal GDP

- **Capital Expenditure – Mining and Non-mining***
Nominal, log scale

- **Industry Share of Business Investment***

* Adjusted for second-hand asset transfers between the private and other sectors

Source: ABS

---

* Nominal; includes second-hand asset transfers

** Includes: information media and telecommunications; rental, hiring and real estate services; professional, scientific and technical services; administrative and support services

Source: ABS

---

Sources: ABS; RBA
Business Sector

Private Non-financial Corporation Profits*

Share of nominal GDP

- Non-mining
- Mining

Business Conditions

-30 -15 0 15 ppt

Business Confidence

-30 -15 0 15 ppt

Capacity Utilisation

72 75 78 81 84 %

NAB Business Survey

Business Conditions*

ppt

Business Confidence*

ppt

Capacity Utilisation

%

Average since 1989

0 4 8 12 %

Private Non-financial Corporation Profits*

Share of nominal GDP

0 4 8 12 %

Business Finances

Business credit
Per cent of nominal GDP

Interest paid*
Per cent of profits**

2000 2005 2010 2018
30 40 50 60 70 %

Interest paid*
Per cent of profits**

2000 2005 2010 2018
5 8 11 14 17 %

* Gross operating profits; inventory valuation adjusted
Sources: ABS; RBA

* Net balance; deviation from average since 1989
Sources: NAB; RBA

* Interest on intermediated debt from Australian-domiciled financial institutions
** Profits are private non-financial gross operating surplus (adjusted for privatisations) and gross mixed income
Sources: ABS; APRA; RBA
Credit and Money

Credit and Broad Money Growth
Year-ended

Monetary Aggregates Growth
Year-ended

Credit Growth by Sector
Year-ended

Credit*
Ratio to nominal GDP

Credit and Money Growth
Year-ended

Sources: ABS; APRA; RBA

* Not adjusted for breaks
Sources: ABS; APRA; RBA
Factors of Production and Labour Market

Factors of Production
Annual growth

Net capital stock*

Working-age population

Capital Ratios*
1979/80 = 100

Capital-output ratio

Capital-labour ratio

* Excluding livestock & orchards, dwellings and ownership transfer costs
Sources: ABS; RBA

Wage Price Index Growth*

Year-ended

Quarterly

Unit Labour Costs Growth
Non-farm, year-ended

Unit labour costs

Average earnings per hour

Labour productivity per hour

* Total pay excluding bonuses
Source: ABS

Sources: ABS; RBA
Factors of Production and Labour Market

**Employment and Participation Rates**
- Participation rate
- Employment to working-age population

**Labour Market**
- Underemployment rate*
- Unemployment rate

**Job Vacancies and Advertisements**
- Advertisements (ANZ survey)
- Vacancies* (ABS survey)

* Full-time workers on reduced hours for economic reasons and part-time workers who would like, and are available, to work more hours

Source: ABS

* This survey was suspended between May 2008 and November 2009

Sources: ABS; ANZ
Regions and Industry

State Share of Output

- Nominal

<table>
<thead>
<tr>
<th>Year</th>
<th>South Australia</th>
<th>Western Australia</th>
<th>Queensland</th>
<th>Victoria</th>
<th>New South Wales</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991/92</td>
<td>10</td>
<td>15</td>
<td>25</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>1996/97</td>
<td>15</td>
<td>20</td>
<td>25</td>
<td>30</td>
<td>35</td>
</tr>
<tr>
<td>2001/02</td>
<td>20</td>
<td>25</td>
<td>30</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>2006/07</td>
<td>25</td>
<td>30</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>2011/12</td>
<td>30</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>2016/17</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>35</td>
</tr>
</tbody>
</table>

Source: ABS

Industry Share of Output*

- Nominal

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Construction</th>
<th>Financial and insurance services</th>
<th>Manufacturing</th>
<th>Mining</th>
<th>Other business services**</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991/92</td>
<td>2</td>
<td>6</td>
<td>10</td>
<td>14</td>
<td>8</td>
<td>14</td>
</tr>
<tr>
<td>1996/97</td>
<td>5</td>
<td>7</td>
<td>9</td>
<td>14</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>2001/02</td>
<td>8</td>
<td>10</td>
<td>10</td>
<td>14</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>2006/07</td>
<td>10</td>
<td>12</td>
<td>12</td>
<td>14</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>2011/12</td>
<td>12</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>6</td>
<td>14</td>
</tr>
<tr>
<td>2016/17</td>
<td>14</td>
<td>16</td>
<td>16</td>
<td>14</td>
<td>6</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: ABS

* Nominal gross value added

** Includes: information media and telecommunications; rental, hiring and real estate services; professional, scientific and technical services; administrative and support services

State Unemployment Rates

<table>
<thead>
<tr>
<th>Year</th>
<th>South Australia</th>
<th>Western Australia</th>
<th>Queensland</th>
<th>Victoria</th>
<th>New South Wales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>5.5</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.5</td>
</tr>
<tr>
<td>2013</td>
<td>6.0</td>
<td>5.5</td>
<td>5.5</td>
<td>5.5</td>
<td>6.0</td>
</tr>
<tr>
<td>2018</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
</tr>
</tbody>
</table>

Source: ABS

Employment Growth by Industry

- Cumulative change since February 2012

<table>
<thead>
<tr>
<th>Year</th>
<th>Household services</th>
<th>Retail and wholesale trade</th>
<th>Public administration</th>
<th>Business services</th>
<th>Other*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>200</td>
<td>100</td>
<td>0</td>
<td>300</td>
<td>100</td>
</tr>
<tr>
<td>2015</td>
<td>300</td>
<td>200</td>
<td>0</td>
<td>400</td>
<td>200</td>
</tr>
<tr>
<td>2016</td>
<td>400</td>
<td>300</td>
<td>0</td>
<td>500</td>
<td>300</td>
</tr>
<tr>
<td>2017</td>
<td>500</td>
<td>400</td>
<td>0</td>
<td>600</td>
<td>400</td>
</tr>
<tr>
<td>2018</td>
<td>600</td>
<td>500</td>
<td>0</td>
<td>700</td>
<td>500</td>
</tr>
</tbody>
</table>

Source: ABS

* Includes agriculture, forestry & fishing; transport, postal & warehousing; and electricity, gas, water & waste services
**Government**

**Australian Government Budget Balance***

Per cent of nominal GDP

* Underlying cash balance; 2018/19 Budget
Source: Australian Treasury

**State Budget Balances***

Per cent of nominal GDP

* Underlying cash balance
Source: ABS

**Public Construction Work Done**

Per cent of nominal GDP

Source: ABS

**Non-financial Public Sector Net Debt**

Per cent of nominal GDP

Source: Australian Treasury
Commodity Prices

RBA Index of Commodity Prices
SDR, 2016/17 average = 100, log scale

Source: RBA

Bulk Commodity Prices
Free on board basis

Iron ore (LHS)
Thermal coal (LHS)
Coking coal (RHS)

US$/t

Iron ore fines; Newcastle thermal coal and premium hard coking coal
Sources: ABS; Bloomberg; IHS; RBA

Terms of Trade*
2015/16 average = 100, log scale

Source: ABS; RBA

Base Metals, Rural and Oil Prices
Weekly

US$/b

RBA Index of Commodity Prices sub-indices; SDR terms; 2007 average = 100
Sources: Bloomberg; RBA

* Annual data are used prior to 1960
Sources: ABS; RBA

Spot price*

* Iron ore fines; Newcastle thermal coal and premium hard coking coal

Source: ABS; Bloomberg; IHS; RBA
Balance of Payments and External Position

**Export Volumes**
Quarterly, 2015/16 prices, log scale

- Resources
- Services
- Manufacturing

**Import Volumes**
Quarterly, 2015/16 prices, log scale

- Consumption
- Intermediate
- Services
- Capital

**Bulk Commodity Exports**
Quarterly

- Iron ore
- Coal

**Exports by Destination**
Annual, share of total values

- China
- Japan
- EU-27
- South Korea
- India
- US

Sources: ABS; RBA
Balance of Payments and External Position

**Current Account Balance**
Per cent of nominal GDP

- Trade balance
- Net income balance

Source: ABS

**Net Capital Inflow***
Per cent of nominal GDP

- Debt
- Equity
- Total

* 2018 values include the March and June quarters
Source: ABS

**Net Foreign Liabilities**
By type, per cent of nominal GDP

- Total
- Long-term debt*
- Short-term debt*
- Equity

* Short-term includes debt with residual maturity of one year or less; long-term includes all other debt
Source: ABS

**External Position**
Composition after hedging, quarterly*

- Gross foreign liabilities
- Gross foreign assets

* Hedge ratios inferred from ABS Foreign Currency Exposure surveys
Sources: ABS; RBA
Interest Rates

**Australian Cash Rate**

- Source: RBA

**Policy Interest Rates**

- US
- Japan
- Euro area*

* Main refinancing rate until the introduction of three-year LTROs in December 2011; deposit facility rate thereafter

- Source: Central banks

**Policy Interest Rates – Selected Advanced Economies**

- UK
- Sweden
- Canada
- Switzerland*

* Policy rate is the midpoint of the 3-month LIBOR target band

- Source: Central banks

---

**Australian Cash Rate and 90-day Bill Yield**

- Cash rate
- 90-day bill yield
- Real cash rate*

* Calculated using average of year-ended weighted median inflation and year-ended trimmed mean inflation

- Sources: ABS; ASX; RBA

---

**Policy Interest Rates**

- NZ

- Source: Central banks
Interest Rates

Interest Rates – China

Policy Interest Rates – Emerging Markets

10-year Australian Government Bond Yield

Interest Rates – China

Policy Interest Rates – Emerging Markets

10-year Government Bond Yields

* Breaks in series indicate changes in the official policy rates for Russia (September 2013) and Indonesia (August 2016)

Source: Central banks

Source: Refinitiv

Source: RBA
**Interest Rates**

**Spread between Australian 10-year Bond Yield and the Cash Rate**

- Source: RBA

**Australian Non-financial Corporate Bond Yields**

- 3-year target
- Sources: Bloomberg; RBA

**Differential between Australian and US 10-year Government Bond Yields**

- Sources: Bloomberg; RBA

**Australian Non-financial Corporate Bond Spreads**

- Spread to government yields; 3-year target
- Sources: Bloomberg; RBA

---

**Spread between Australian 10-year Bond Yield and the Cash Rate**

**Australian Non-financial Corporate Bond Yields**

**Differential between Australian and US 10-year Government Bond Yields**

**Australian Non-financial Corporate Bond Spreads**

---

**Differential between Australian and US 10-year Government Bond Yields**

- Sources: Bloomberg; RBA

**Spread between Australian 10-year Bond Yield and the Cash Rate**

**Australian Non-financial Corporate Bond Yields**

**Differential between Australian and US 10-year Government Bond Yields**

**Australian Non-financial Corporate Bond Spreads**

---

**Spread between Australian 10-year Bond Yield and the Cash Rate**

**Australian Non-financial Corporate Bond Yields**

**Differential between Australian and US 10-year Government Bond Yields**

**Australian Non-financial Corporate Bond Spreads**

---

**Differential between Australian and US 10-year Government Bond Yields**

- Sources: Bloomberg; RBA

**Spread between Australian 10-year Bond Yield and the Cash Rate**

**Australian Non-financial Corporate Bond Yields**

**Differential between Australian and US 10-year Government Bond Yields**

**Australian Non-financial Corporate Bond Spreads**

---
Interest Rates

**US Corporate Bond Yields**

- **BBB corporates**
- **AA corporates**
- **Five-year swap**

*Includes financials and non-financials*

Sources: Bloomberg; ICE Data is used with permission

**Emerging Market Bond Yields**

- **Europe**
- **Latin America**
- **Asia**

Sources: Bloomberg; RBA; Refinitiv

**US Corporate Bond Spreads**

- **BBB corporates**
- **AA corporates**
- **Five-year swap**

*Includes financials and non-financials*

Sources: Bloomberg; ICE Data is used with permission

**Emerging Market Bond Spreads**

- **Europe**
- **Latin America**
- **Asia**

Sources: Bloomberg; RBA; Refinitiv
**Interest Rates**

**Variable Housing Interest Rates**

- **Standard variable reference rate**
- **Outstanding loans**
- **New loans***

* Average across major banks' rates; data to October
** Data to September
*** Variable loans originated over the past three months; data to August
Sources: RBA; Securitisation system

**Australian Fixed Interest Rates**

- **3-year maturity**

**Australian Business Lending Rates***

*** Average interest rate on outstanding lending

* RBA estimates
Sources: APRA; RBA

**Advertised Small Business Interest Rates***

** Term loan residential security

* Indicator rates
Sources: Canstar Cannex; RBA
Share Markets

**Share Price Accumulation Indices**

Log scale, end December 1994 = 100

Sources: MSCI; RBA; Refinitiv

**Advanced Economies’ Share Price Indices**

Log scale, end December 1994 = 100

Sources: Bloomberg; RBA

**Australian Share Price Indices**

Log scale, end December 1994 = 100

Sources: Bloomberg; RBA

**Emerging Markets’ Share Price Indices**

Log scale, end December 1994 = 100

Sources: Bloomberg; MSCI; RBA

* ASX 200 companies
Sources: Bloomberg; RBA
**Bond Issuance**

**Bonds on Issue in Australia**

- Non-government
- Australian government
- State governments

* Excludes bonds purchased by the Australian Government
** Excludes ADIs' self-securitisations, includes government-guaranteed bonds

Sources: ABS; AOFM; Bloomberg; RBA; State Treasury Corporations

**Total Non-government Bonds on Issue**

- Financials
- Non-financial corporations
- Non-residents
- Asset-backed securities

* Australian dollar-denominated bonds only

Sources: ABS; Bloomberg; Private Placement Monitor; RBA

**Non-government Bond Issuance**

- Gross issuance
- Domestic issuers
- Non-resident issuers

* Excludes ADIs' self-securitisations
** Offshore non-resident issuance includes Australian dollar-denominated bonds only

Sources: Bloomberg; Private Placement Monitor; RBA

**Non-government Bonds on Issue in Australia**

- Financials
- Non-financial corporations
- Non-residents
- Asset-backed securities

* Excludes ADIs' self-securitisations

Sources: ABS; Bloomberg; RBA
Bond Issuance

**US and Euro Area Corporate Bond Issuance***

Gross issuance

* December quarter-to-date

Sources: Dealogic; RBA

**Emerging Market Corporate Bond Issuance***

Gross issuance

* December quarter-to-date

Sources: Dealogic; RBA
Exchange Rates

**Australian Dollar Trade-weighted Index**

- **Nominal** and **Real**
- May 1970 = 100 for nominal; real indexed to equate post-float averages; latest observations for real TWI are estimates
- Sources: ABS; RBA; Refinitiv; WM/Reuters

**Official Reserve Assets**

- Includes **Net foreign reserves**
- **RBA foreign exchange market intervention transactions**
- The reporting methodology for official reserve asset data changes in 2015
- Excludes net forward foreign currency commitments
- Data up to 30 June 2018; a positive value indicates a purchase of foreign exchange, while a negative value indicates a sale of foreign exchange
- Source: RBA

**Australian Dollar**

- **Yen per A$** (LHS)
- **US$ per A$** (RHS)
- **Euro per A$**
- ECU per A$ until 31 December 1998
- Source: Bloomberg

---

* ECU per A$ until 31 December 1998
* May 1970 = 100 for nominal; real indexed to equate post-float averages; latest observations for real TWI are estimates
* The reporting methodology for official reserve asset data changes in 2015
** Excludes net forward foreign currency commitments
*** Data up to 30 June 2018; a positive value indicates a purchase of foreign exchange, while a negative value indicates a sale of foreign exchange
Source: RBA
Exchange Rates

**US Dollar**

- **Yen per US$ (LHS)**
- **US$ per euro* (RHS, inverted scale)**

* US$ per ECU until 31 December 1998
Sources: Bloomberg; Eurostat

**Selected Asian Currencies against the US Dollar**

31 January 2000 = 100

- **India**
- **Thailand**
- **South Korea**
- **Malaysia**
- **Singapore**
- **Indonesia**

Source: Bloomberg

**G3 Nominal Trade-weighted Indices**

1999–2018 average = 100

- **US dollar**
- **Euro**
- **Japanese yen**

Sources: BIS; Bloomberg; Board of Governors of the Federal Reserve System

**Chinese Renminbi**

- **Nominal effective exchange rate (LHS, 2010 average = 100)**
- **Yuan per US$ (RHS, inverted scale)**

Sources: BIS; Bloomberg; RBA
Banking Indicators

**Australian Bank Profits**
- Net profit after tax
- Bad and doubtful debts charge

<table>
<thead>
<tr>
<th>Year</th>
<th>Major banks</th>
<th>Other Australian-owned banks</th>
<th>Foreign-owned banks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Australian Bank Profitability**
- Return on shareholders’ equity after tax and minority interests

- *Fiscal years from 2003 onwards; prior data are as reported in banks' financial statements*

**Major Banks’ Net Interest Margin**
- Domestic, half-yearly

- *Data for a given period relate to banks’ public profit reports released in that half; IFRS basis from 2006, AGAAP prior; excludes St George Bank and Bankwest prior to the first half of 2009*

Sources: APRA; Banks’ annual reports; RBA
Banking Indicators

Banks’ Non-performing Assets

Consolidated global operations, share of on-balance sheet assets

* Includes assets 90+ days past due that are well secured
Source: APRA

Capital Ratios*

Consolidated global operations of locally incorporated ADIs

* Per cent of risk-weighted assets; break in March 2008 due to the introduction of Basel II for most ADIs; break in March 2013 due to the introduction of Basel III for all ADIs
Source: APRA

Banks’ Non-performing Assets

Domestic books

Share of all loans
Share of loans by type*

* Each category’s share of total domestic lending at June 2018 is shown in parentheses; shares may not add up to 100 due to rounding
** Includes lending to financial businesses, bills, debt securities and other non-household loans
Sources: APRA; RBA

Funding Composition of Banks in Australia*

Share of total funding

* Adjusted for movements in foreign exchange rates; tenor of debt is estimated on a residual maturity basis
** Includes deposits and intragroup funding from non-residents
Sources: APRA; RBA; Standard & Poor’s

Sources: APRA; RBA