



RESERVE BANK OF AUSTRALIA

12 July 2012

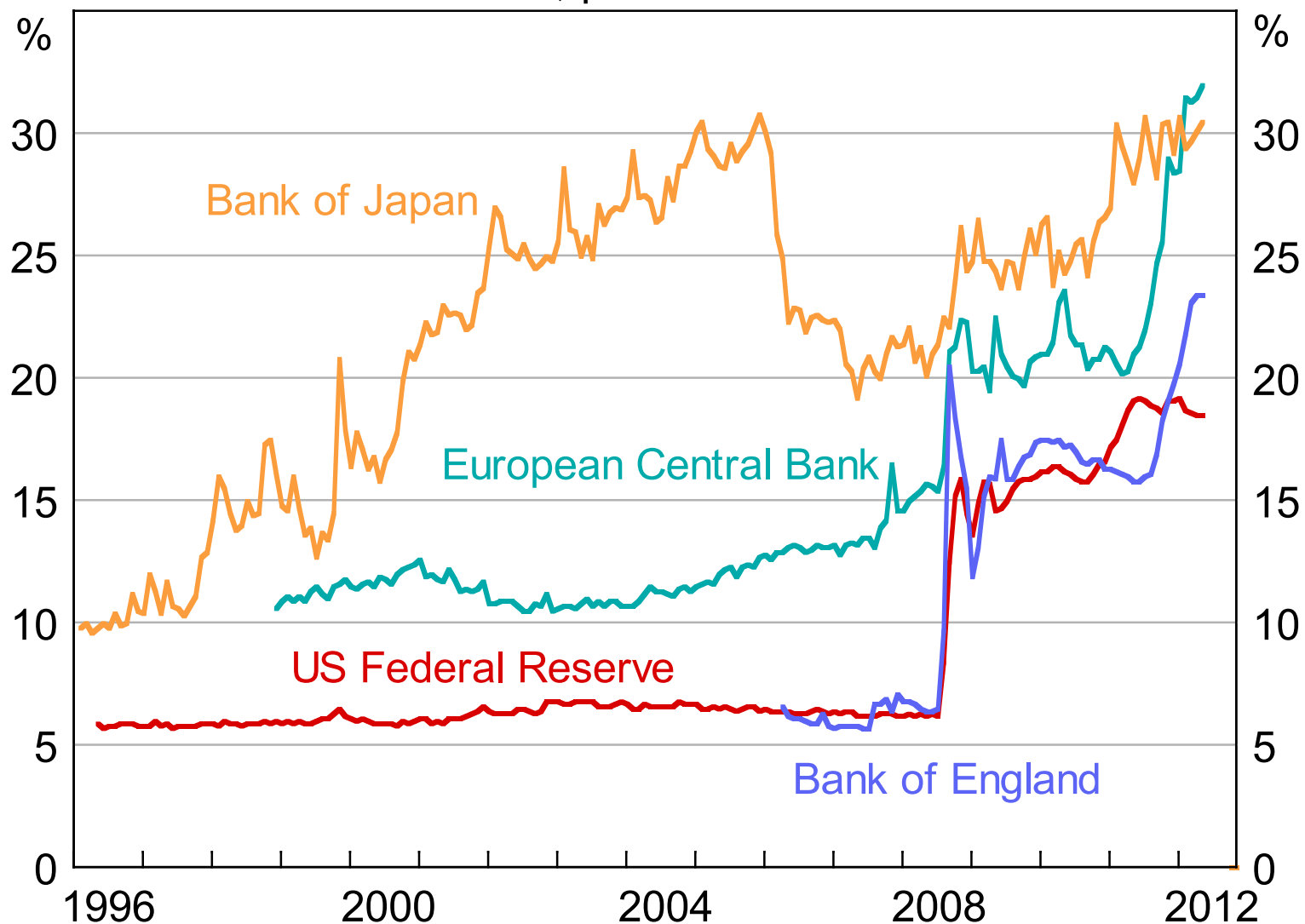
Presentation to *The Economist* Bellwether Series 2012 (Sydney)

The Euro Crisis and the Financial System

Philip Lowe
Deputy Governor

Central Bank Balance Sheets

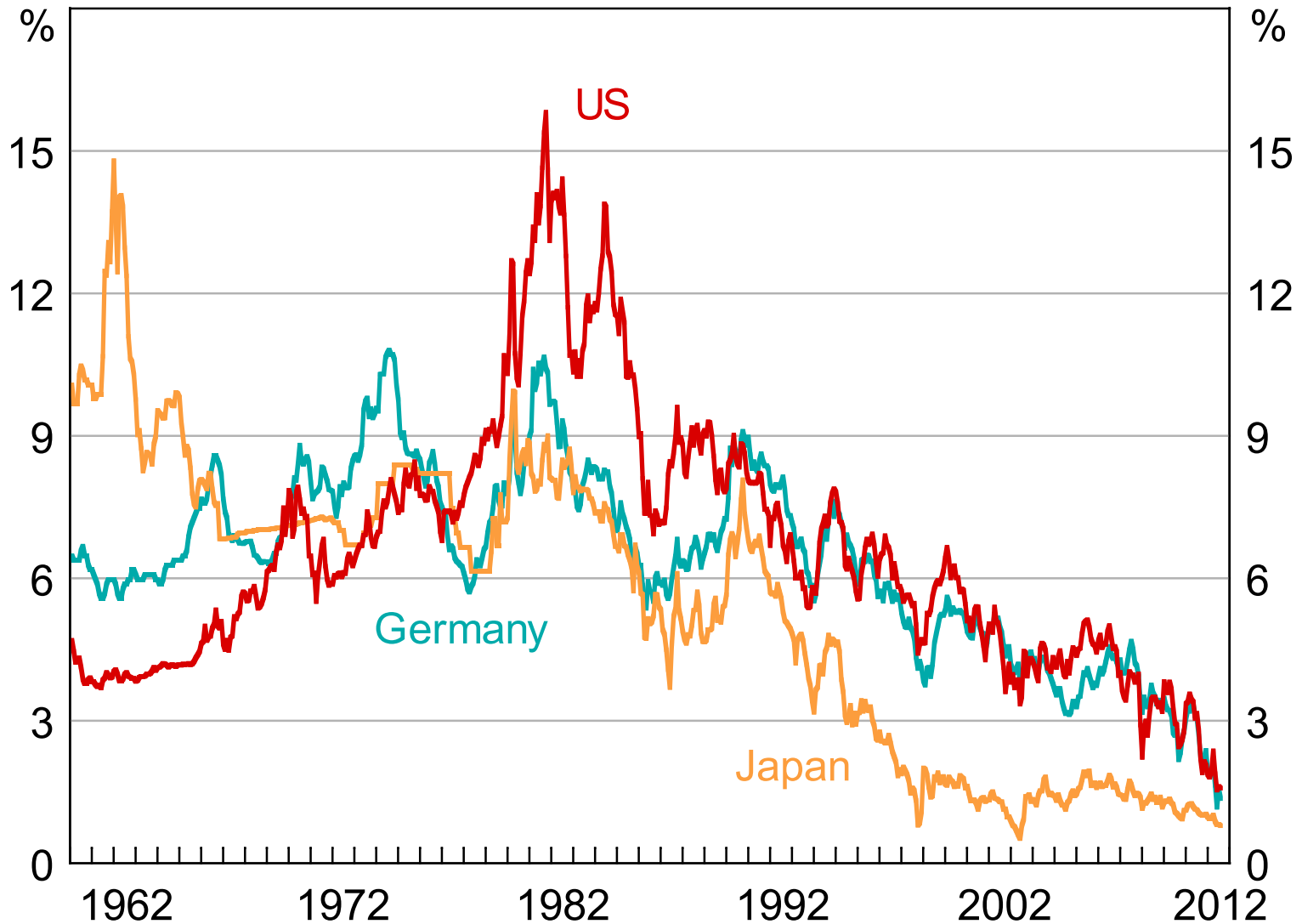
Assets, per cent of GDP



Sources: central banks; RBA; Thomson Reuters



10-year Government Bond Yields



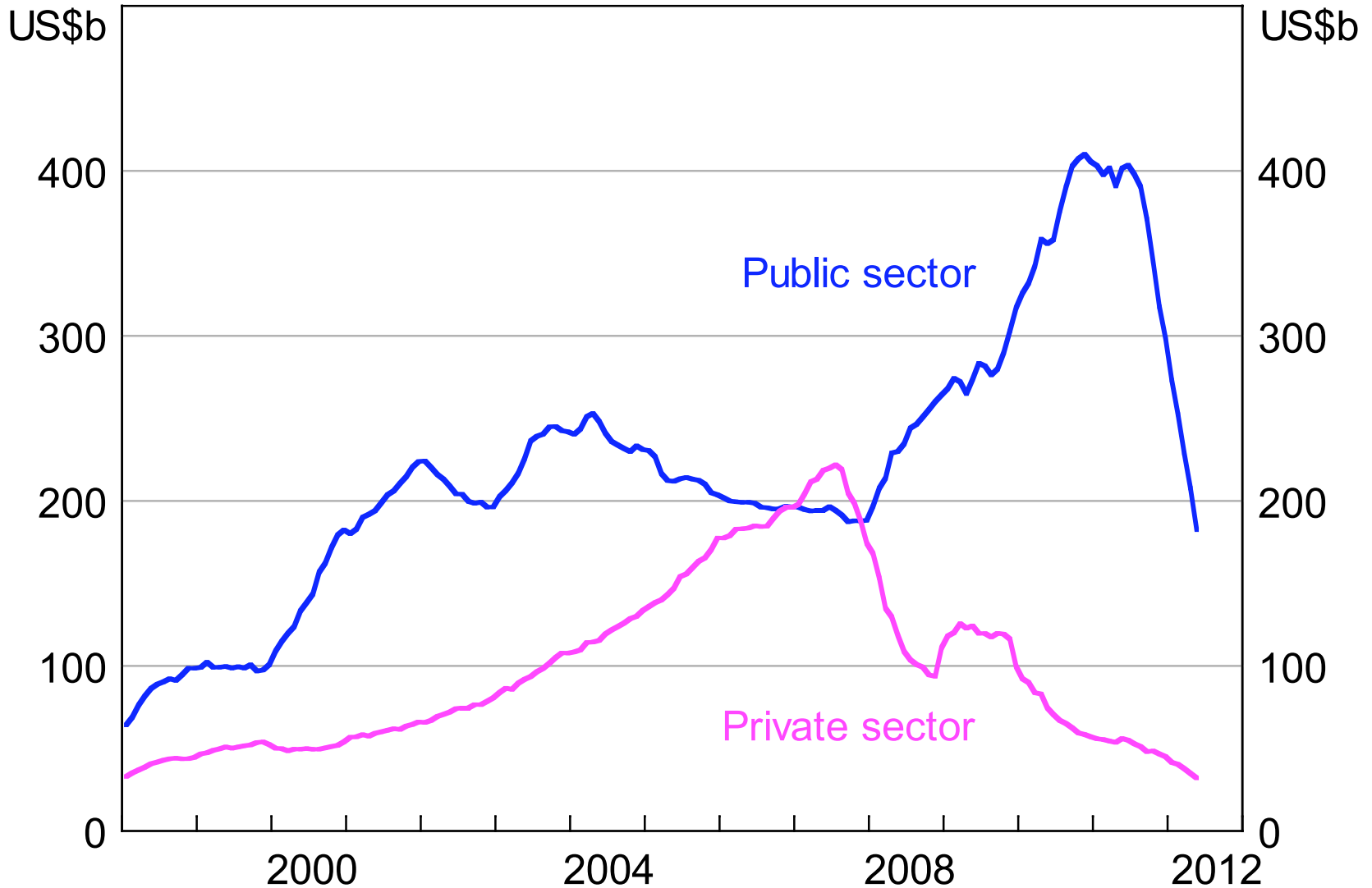
Sources: Bloomberg; Global Financial Data



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AAA-rated Securities Issuance

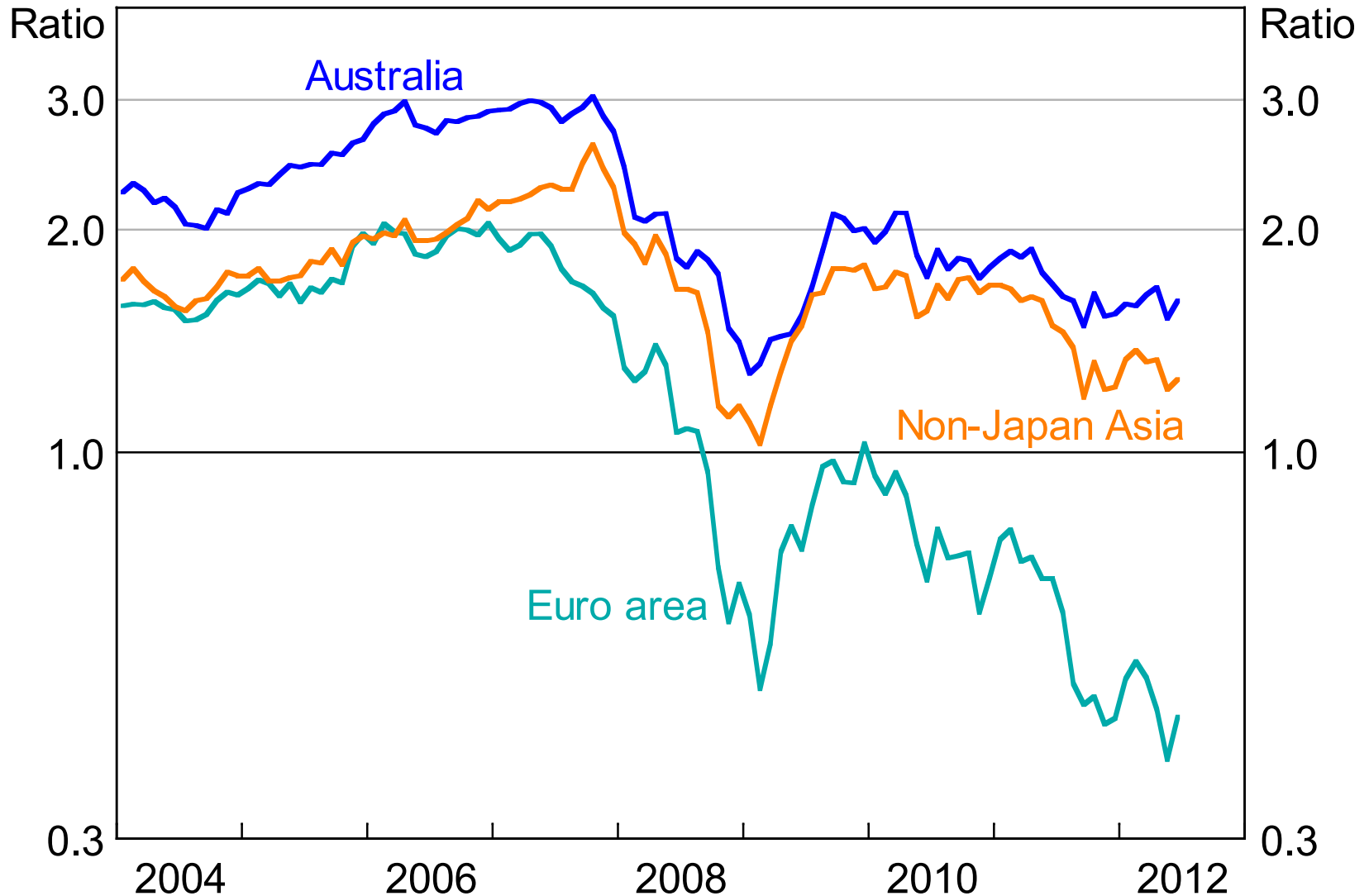
Based on Standard & Poor's ratings, 12-month rolling average



Source: Dealogic

Banks' Price-to-book-value Ratios

Log scale



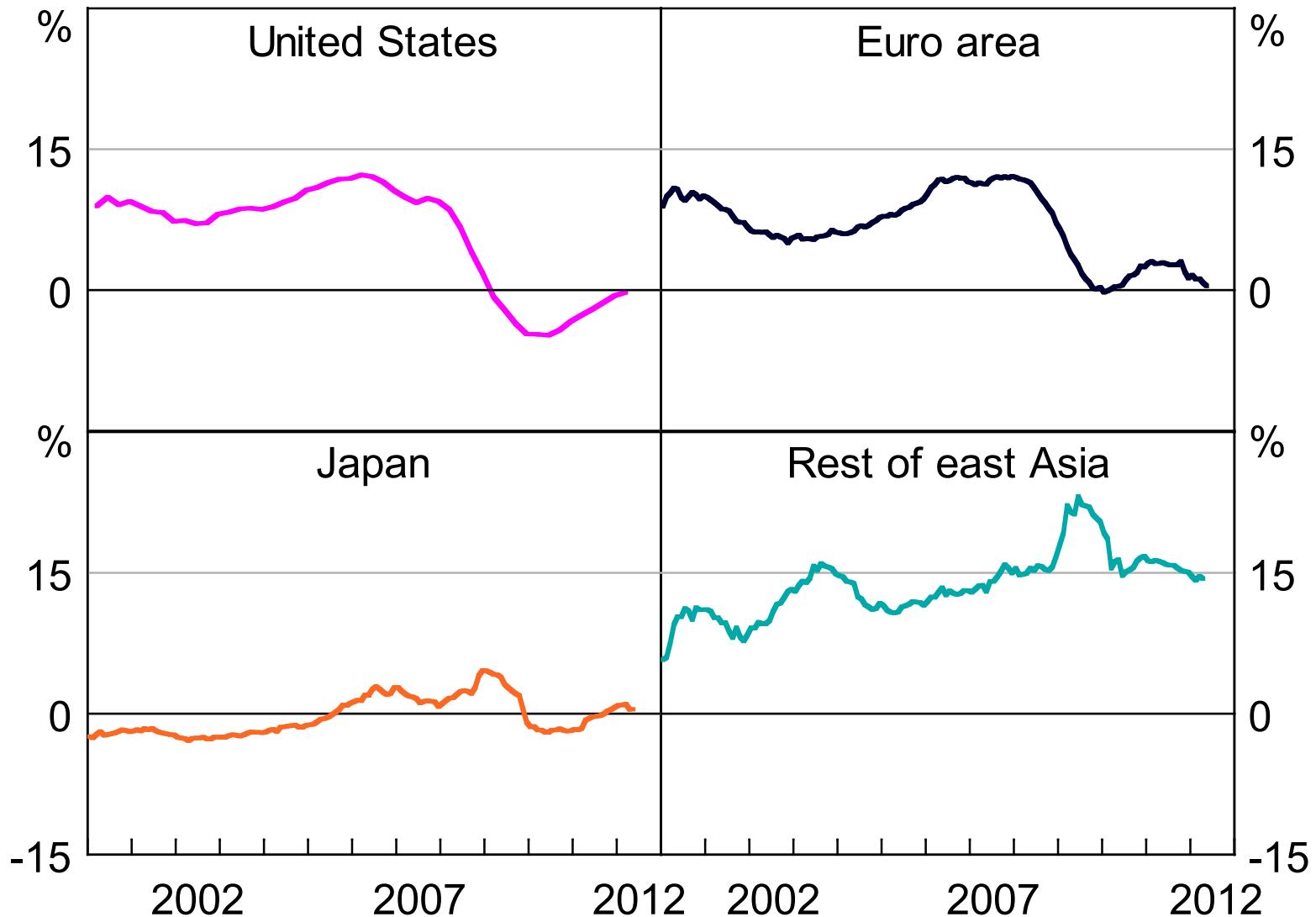
Source: Bloomberg



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Private Sector Credit Growth

Year-ended



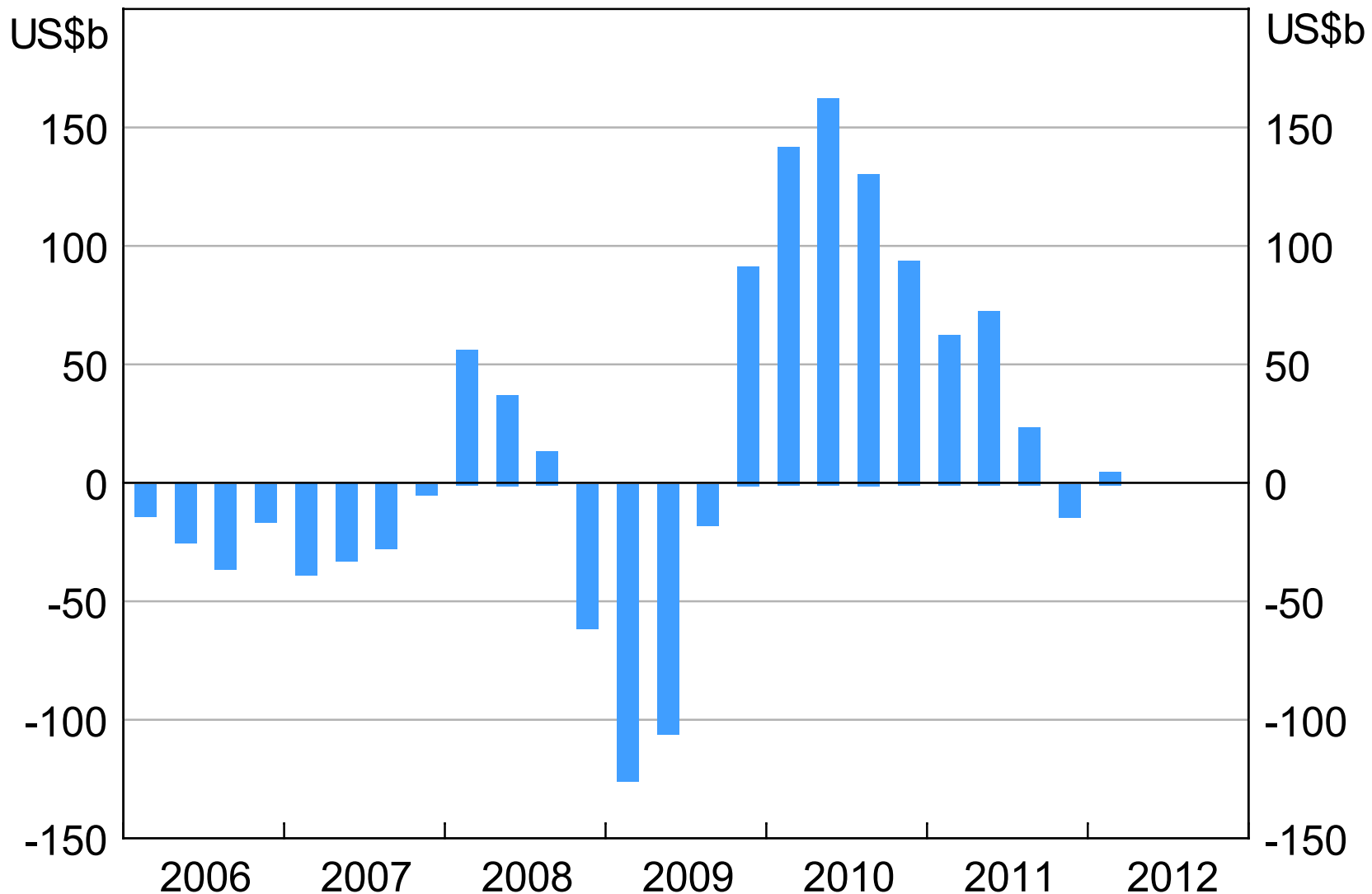
Sources: CEIC; ECB; IMF; RBA; Thomson Reuters



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Non-Japan Asia – Net Private Capital Flows

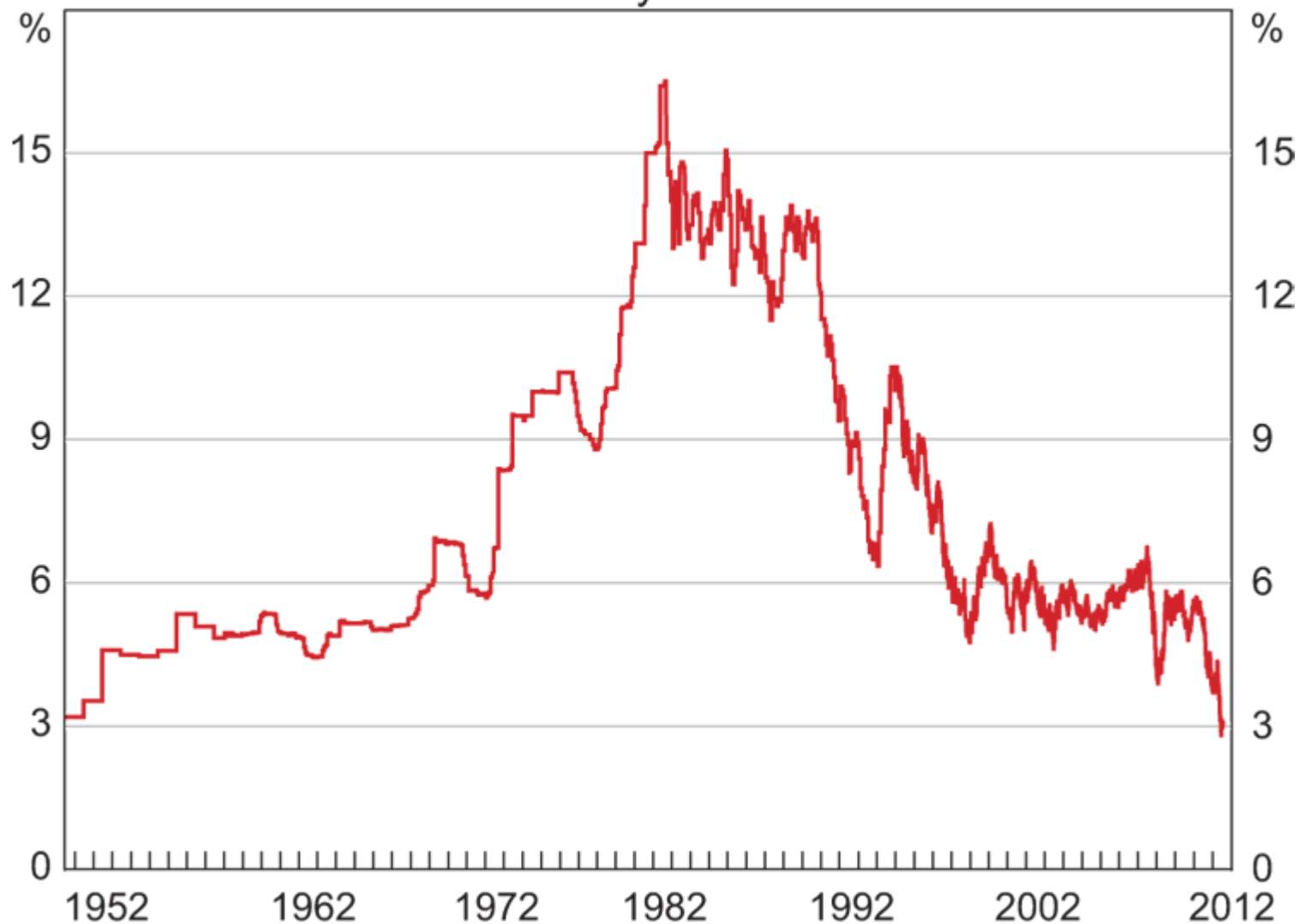
Rolling 4-quarter sum



Source: CEIC

Australian Government Bond Yield

10-year



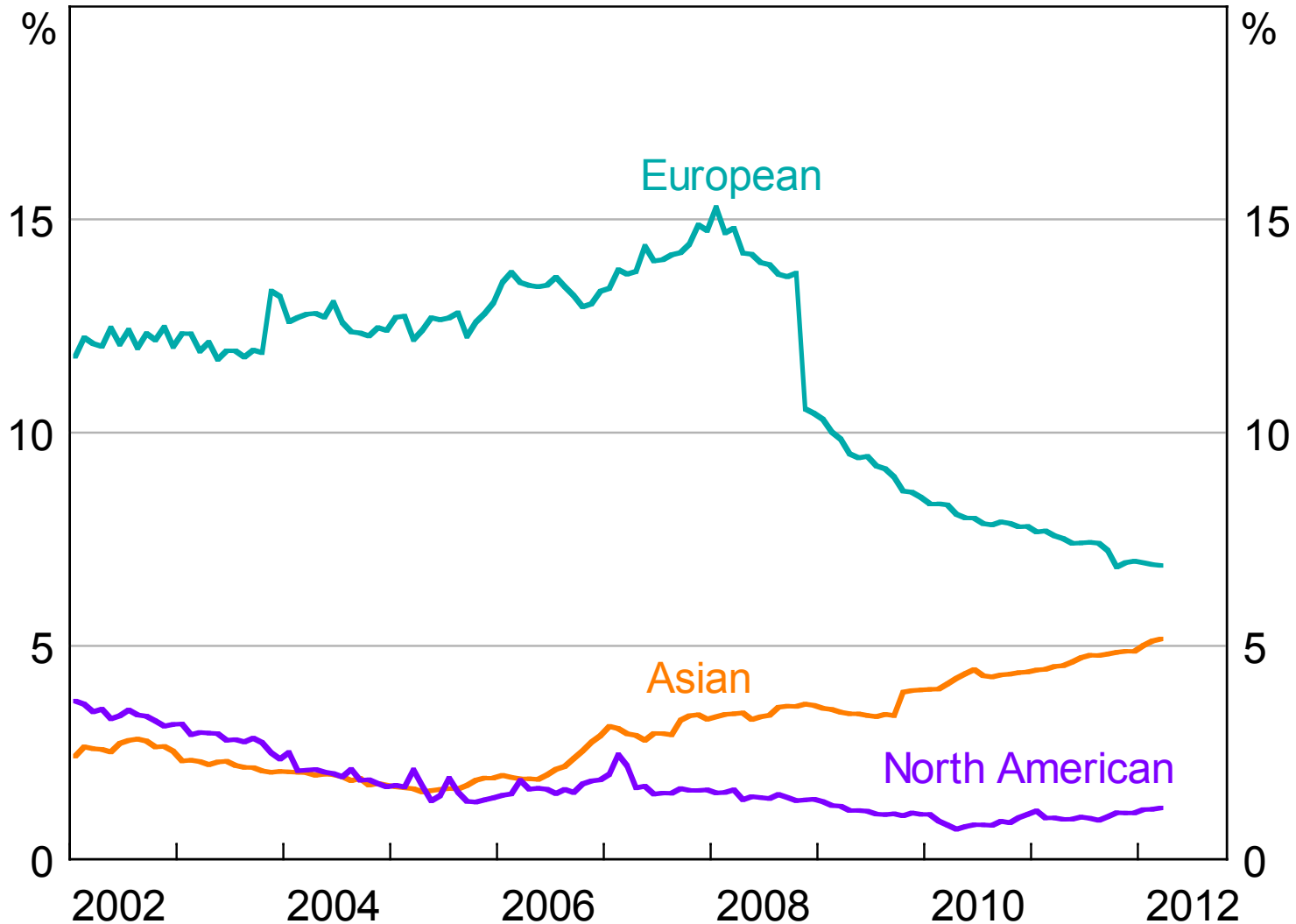
Source: RBA



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Share of Business Credit

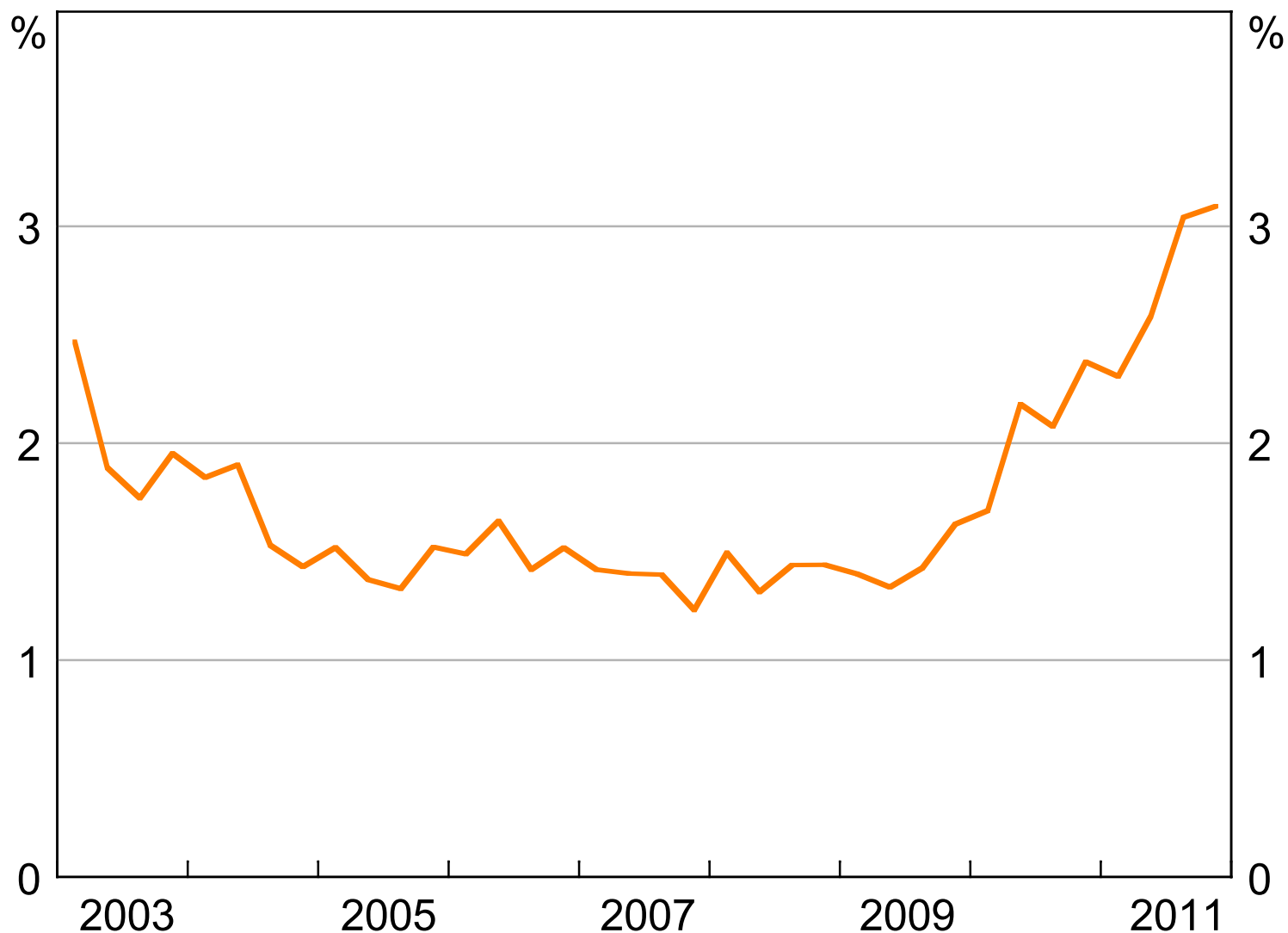
Foreign-owned banks



Sources: APRA; RBA

Australian-owned Banks' Claims on Asia

Share of consolidated assets, immediate risk basis



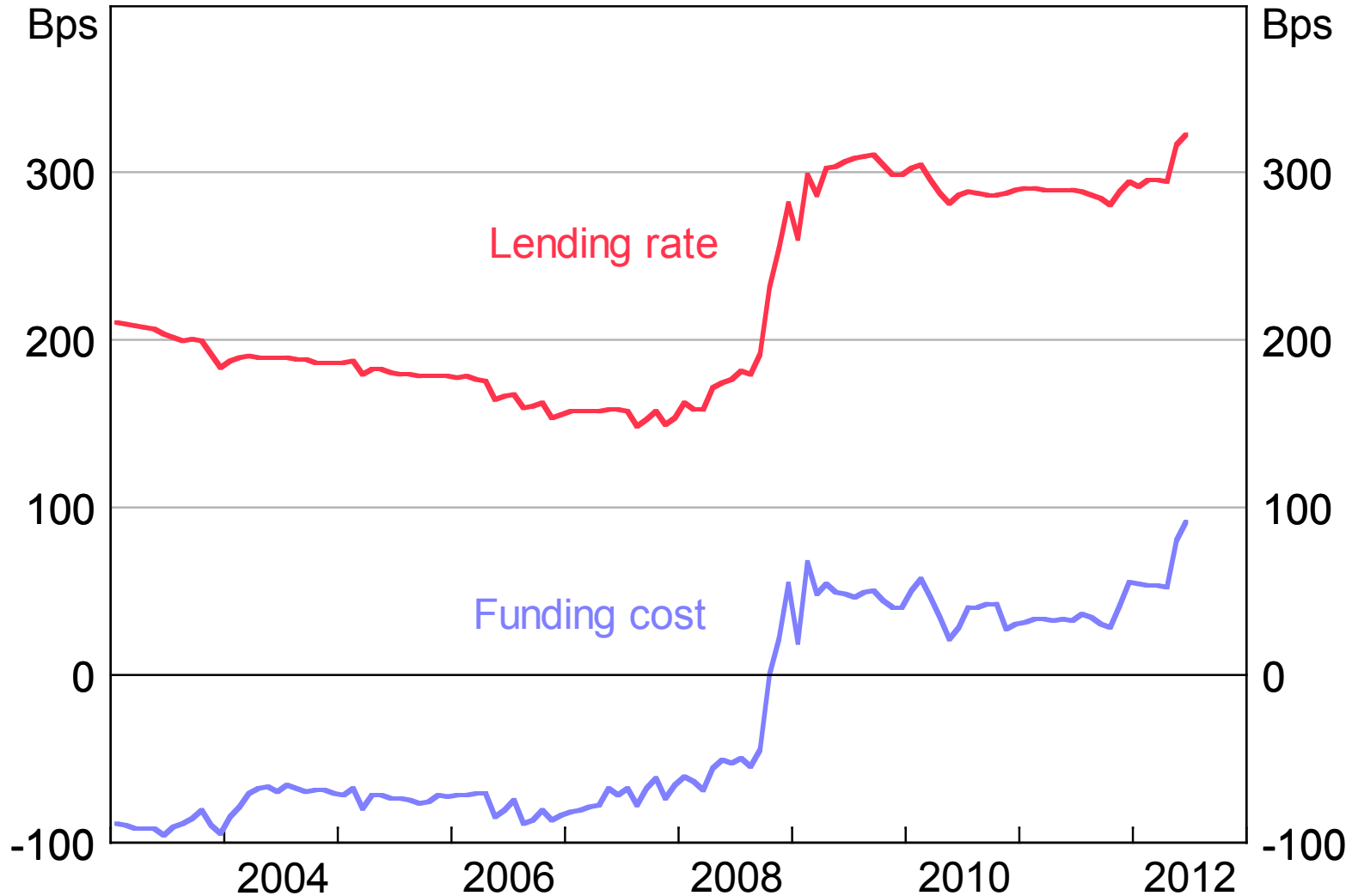
Sources: APRA; RBA



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Average Rates on Major Banks' Outstanding Lending and Funding

Spreads to cash rate, monthly



Sources: APRA; Bloomberg; Financial reports; RBA; UBS Australia AG



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