

# Australian Corporate Banking Markets

Market Analysis Report  
July 2011



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## Introduction

This is the nineteenth issue of East & Partners' Australian Corporate Banking Markets Report (re-titled from its previous name of "Commercial Treasury Banking Markets Report"). The report delivers quality market intelligence to bank clients for application in the core areas of debt, transaction, treasury and financial markets products and services.

This Corporate segment continues to be a focus of significant restructuring internally within the multi-service banks which continue to come down the scale ladder and offer products, which have been historically the province of large institutional.

Continuing in the report are new, specific analytics on Relationship Manager engagement and borrowing intentions.

In addition to the core multiclient content of the program, clients are also able to add proprietary questions to each six-monthly interview sweep, using the vehicle of this ongoing research as a means of both adding valuable supplementary material to their use of the service and the generation of tactical information solutions as required.

As part of this enhanced service portfolio, individual clients also receive a customised "impact" report highlighting bank specific results from this latest program report and its key findings.

The report delivers key findings from the sixteenth round of customer interviews executed during June 2011 along with presentation of detailed supporting data.

All client proprietary question analysis is subject to separate reporting with individual clients.

## Methodology

The fieldwork for this nineteenth round of the Corporate Banking Research Program took place in June 2011 with a structured sample of 893 enterprises in the A\$20-530 million annual turnover (sub-Top 500) segment being interviewed. This represents a substantial 8.0 percent of the combined segment's total population of some 11,160 enterprises.

**TABLE A**  
**Sample Geographical Distribution**

	% of Total	
	Jan 11 (N: 893)	Jul 11 (N: 893)
New South Wales	39.6	40.1
Victoria	27.7	27.4
Queensland	14.3	14.4
Western Australia	9.9	10.1
South Australia	4.8	4.7
Other	3.7	3.3
TOTAL	100.0	100.0

All enterprises were interviewed on a direct basis using the structured Interview Questionnaire, reproduced here as Appendix I, through the individual holding primary responsibility for decision making over the organisation's treasury banking relationships.

**TABLE B**  
**Sample Interviewee Distribution**

	% of Total	
	Jan 11 (N: 893)	Jul 11 (N: 893)
Chief Financial Officer	60.6	61.6
Group / Corporate Treasurer	16.8	17.0
Finance Director	11.6	10.3
Finance Manager	10.2	10.3
Group Accountant	0.8	0.8
TOTAL	100.0	100.0

Industry sector distribution of these 893 corporate accounts interviewed directly reflects the population/universe distribution. This nineteenth research round achieved another very pleasing completion rate at 89.8 percent (only 101 enterprises approached declining to participate) - a direct reflection of the strong level of interest in their debt, financial markets and advisory banking by customers within this segment.

**TABLE C**  
**Sample Industry Sector Distribution**

	% of Total	
	Jan 11 (N: 893)	Jul 11 (N: 893)
Agriculture, Forestry and Fishing	3.5	3.7
Mining	7.1	7.4
Manufacturing	18.1	17.8
Electricity, Gas and Water Supply	2.7	2.7
Construction	8.6	8.8
Wholesale Trade	12.3	12.5
Retail Trade	10.5	10.4
Accommodation, Cafes and Restaurants	2.5	2.4
Transport and Storage	5.0	5.2
Communication Services	2.1	2.1
Finance and Insurance	7.8	7.9
Property and Business Services	13.8	13.9
Government Administration and Defence	0.4	0.4
Education	0.7	0.6
Health and Community Services	0.4	0.4
Cultural and Recreational Services	0.7	0.7
Personal and Other Services	3.8	3.1
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>

# Appendix I

Questionnaire



East & Partners Pty Ltd, a leading specialist market research firm in the business, corporate and investment banking markets of Asia Pacific, works across 11 countries in the region delivering both multi-client and proprietary market analysis services to financial services providers.

The delivery of accurate quantitative analysis on the region's exploding demand for sophisticated transaction, debt, treasury, investment and advisory banking services and products has been uniquely addressed by East's "bottom up" research methodologies for 15 years, based on many thousands of customer interviews annually in Australia, China, Hong Kong, India, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan and Thailand.

East's multi-client demand research and consulting work has enabled the firm to work with virtually every major bank within the region and international clients based in North America and Europe.

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