

SEMI-ANNUAL REPORT ON FOREIGN EXCHANGE TURNOVER

October 2010

The Semi-Annual Report on Foreign Exchange Turnover compiles data from 26 financial institutions that are active in the Australian foreign exchange market and is drawn from the Reserve Bank of Australia's monthly turnover survey. The results for October 2010 are presented in the summary tables and charts below.

The main findings of the report are:

- Total average daily turnover in all OTC foreign exchange instruments in the Australian market was US\$196.4 billion in October 2010. This was an increase of 2 per cent from April 2010, and an increase of 30 per cent over the year.
- Average daily turnover in traditional OTC foreign exchange instruments (spot, outright forwards and foreign exchange swaps) in the Australian market was US\$186.6 billion in October 2010. This was little changed from April 2010, and 30 per cent higher over the year.
- Average daily turnover in OTC options and cross-currency interest rate swaps (currency swaps) in the Australian market was US\$9.7 billion in October 2010. This was an increase of 54 per cent from April 2010, and an increase of 30 per cent over the year. Currency swaps were first introduced to the survey in March 2007.

Tables 1 to 5 report summaries of foreign exchange turnover in the Australian market by instrument, counterparty, currency and maturity for October 2010, with some comparisons to April 2010. Tables 6a to 6c provide the full set of data for October 2010.

For the purposes of this report, turnover is defined as the gross value of all new deals entered into during the month (regardless of whether or not settlement was made during the period) and is reported in terms of the nominal or notional amount of the contracts. Figures reflect all deals struck in Australia, irrespective of where deals are booked (i.e. data are collected on a sales desk basis). As such, survey results are comparable to the Bank for International Settlements (BIS) Triennial survey. All amounts in this report are converted to US dollars using the average AUD/USD exchange rate for the month in which data are collected.

The next semi-annual report will be released in July 2011, presenting data for April 2011. Monthly data for selected series can be accessed at:

<http://www.rba.gov.au/statistics/index.html>

Similar semi-annual foreign exchange turnover surveys are conducted for a number of foreign exchange markets. The results of these surveys can be found at:

Canada	http://www.cfec.ca/fx_volume.html
Singapore	http://www.sfemc.org/
UK	http://www.bankofengland.co.uk/markets/forex/fxjsc/index.htm
US	http://www.newyorkfed.org/fxc

A similar annual foreign exchange turnover survey is conducted for:

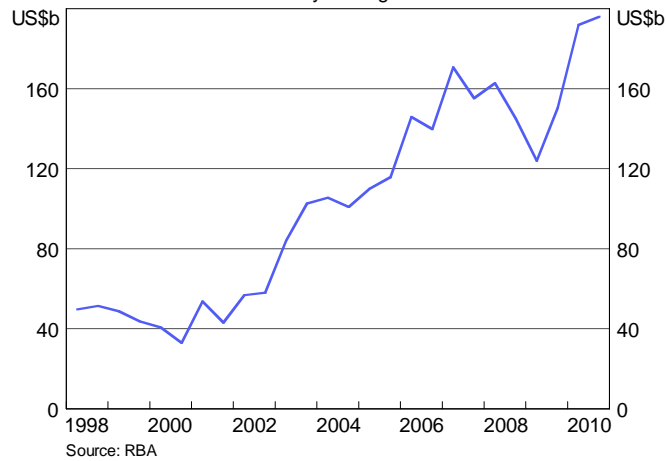
Japan	http://www.fxcomtky.com/index_e.html
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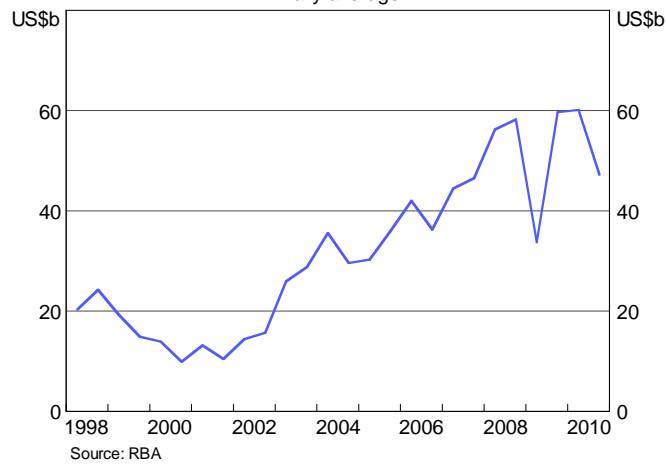
Graph 1
All FX Markets Turnover

Daily average



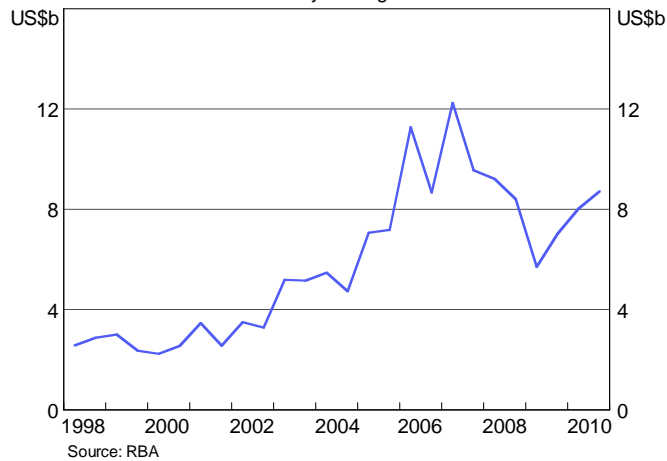
Graph 2
Outright Spot Turnover

Daily average



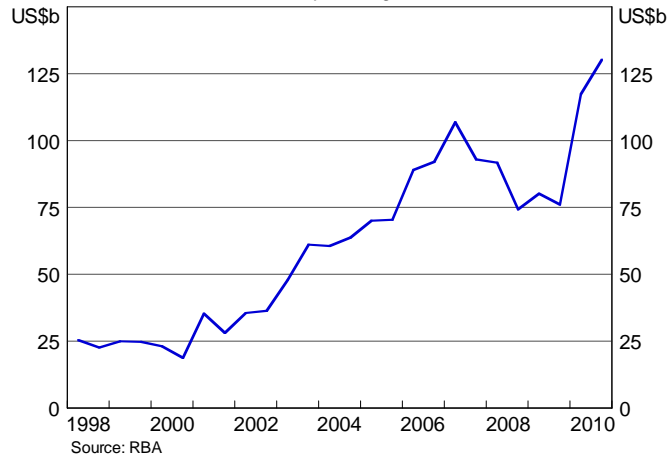
Graph 3
Outright Forwards Turnover

Daily average



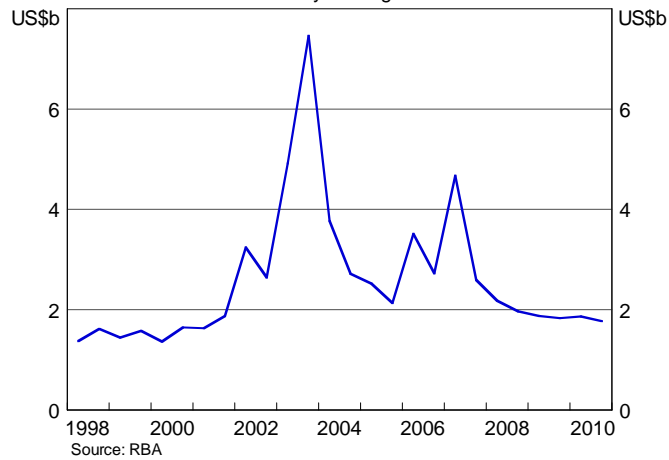
**Graph 4
FX Swaps Turnover**

Daily Average



**Graph 5
OTC Options Turnover**

Daily Average



**Graph 6
Currency Swap Turnover**

Daily Average

