

SEMI-ANNUAL REPORT ON FOREIGN EXCHANGE TURNOVER

October 2011

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 2011 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\$167.9 billion in October 2011. This was a decline of 23 per cent from April 2011, and a decline of 14 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\$161.2 billion in October 2011. This was a decline of 23 per cent from April 2011, and a decline of 14 per cent over the year.
- Average daily turnover in OTC options and cross-currency interest rate swaps (currency swaps) in the Australian market was US\$6.7 billion in October 2011. This was a decline of 26 per cent from April 2011, and a decline of 31 per cent over the year.

Tables 1 to 5 report summaries of foreign exchange turnover in the Australian market by instrument, counterparty, currency and maturity for October 2011, with some comparisons to April 2011. Tables 6a to 6c provide the full set of data for October 2011.

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 is expected to be released in July 2012, presenting data for April 2012.

Similar semi-annual foreign exchange turnover surveys are conducted for a number of other 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>

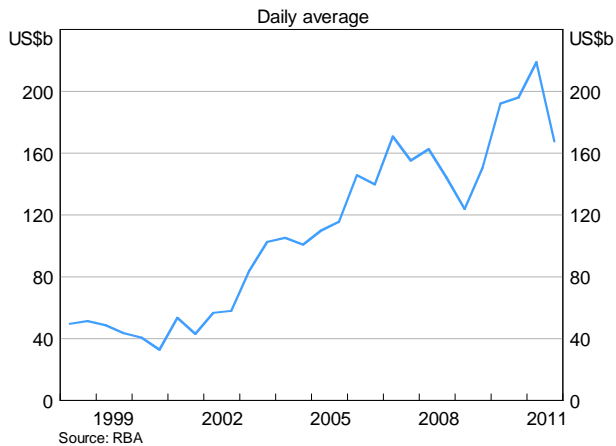
A similar annual foreign exchange turnover survey is conducted for:

Japan http://www.fxcomtky.com/index_e.html

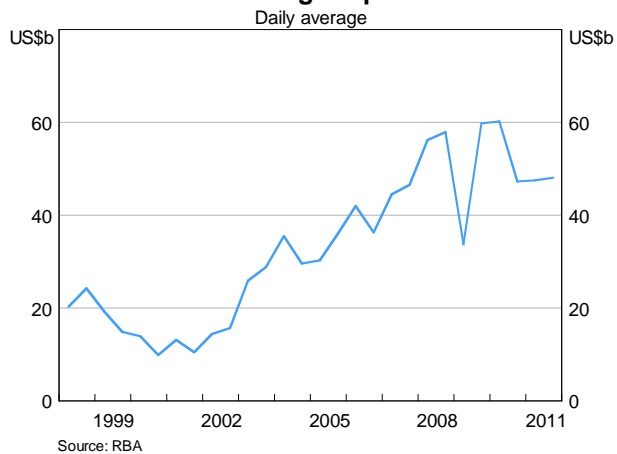
For queries regarding the RBA foreign exchange turnover survey, please contact:

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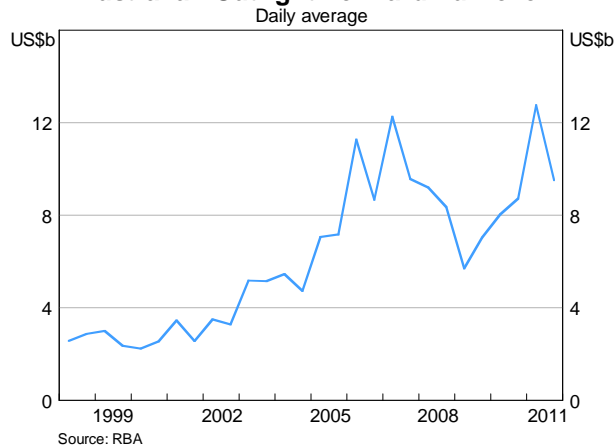
Graph 1
Total Australian FX Turnover



Graph 2
Australian Outright Spot Turnover

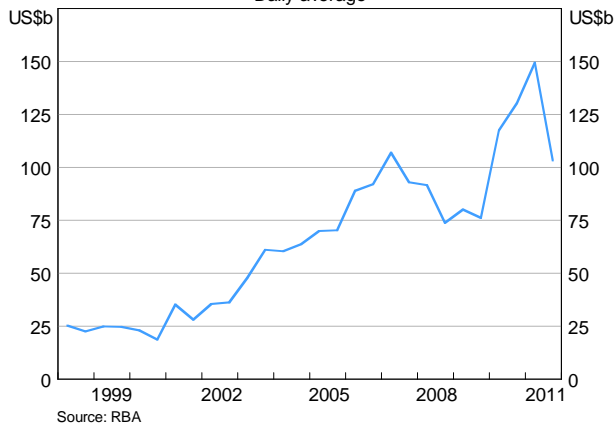


Graph 3
Australian Outright Forward Turnover



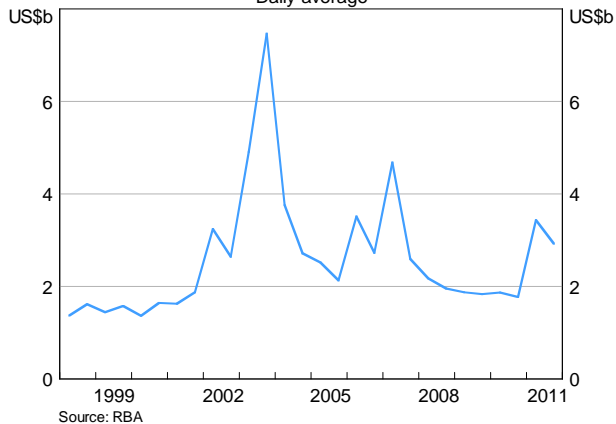
Graph 4
Australian FX Swap Turnover

Daily average



Graph 5
Australian OTC Option Turnover

Daily average



Graph 6
Australian Currency Swap Turnover*

Daily average

