



# Mutuals in unsettled times

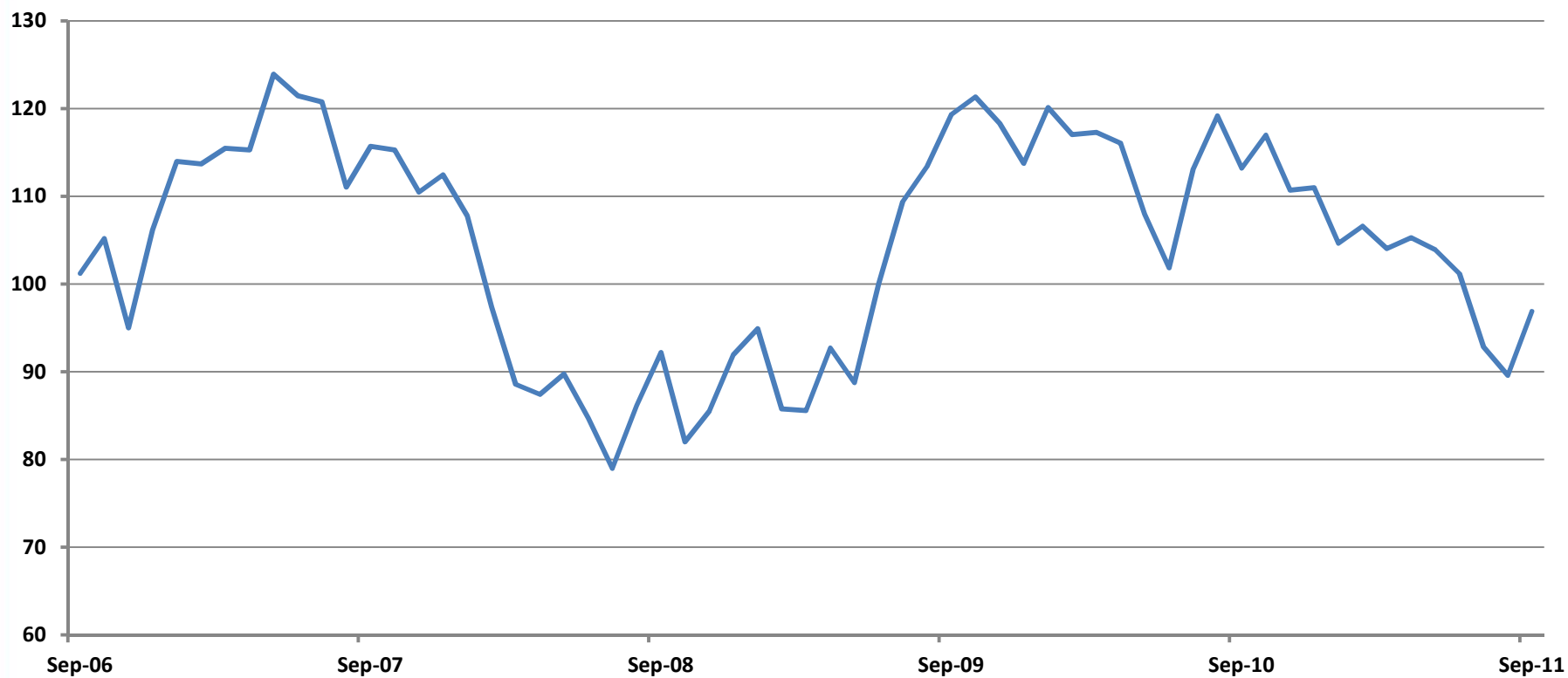
John F Laker  
Chairman



## A challenging economic environment:

- the Australian consumer has become very cautious

# Consumer sentiment



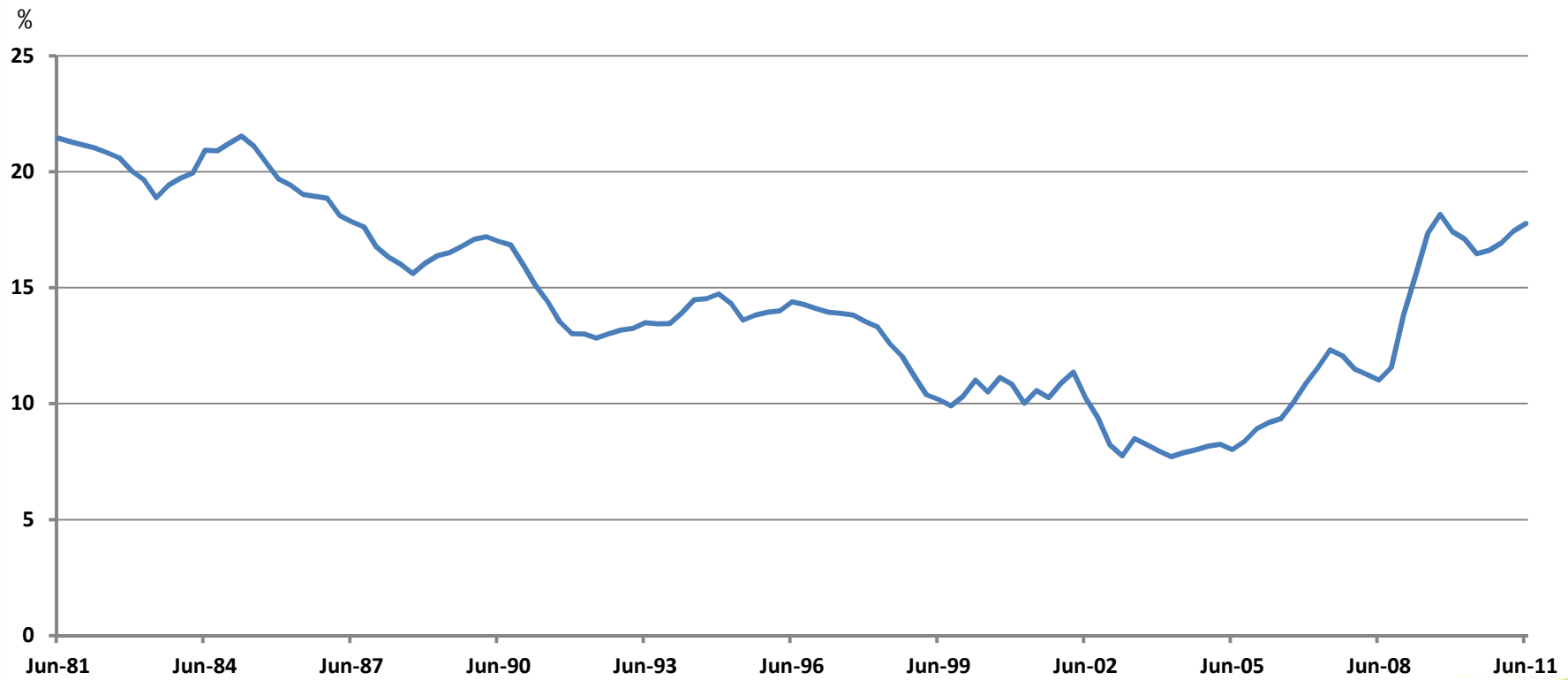


## A challenging economic environment:

- the Australian consumer has become very cautious
- the Australian consumer prefers to save than to borrow

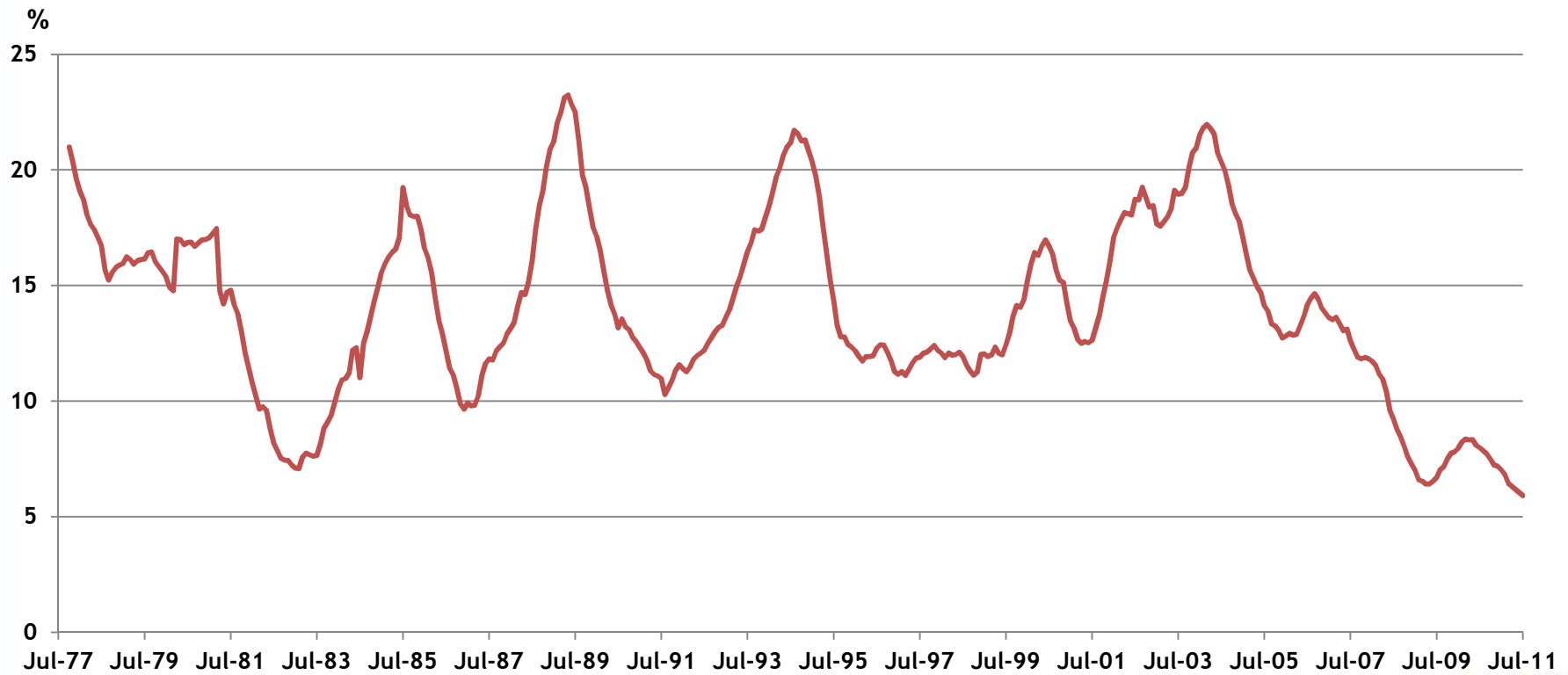
# Gross household saving ratio

Per cent of disposable income



# Housing credit growth

Year-ended percentage change, all lenders

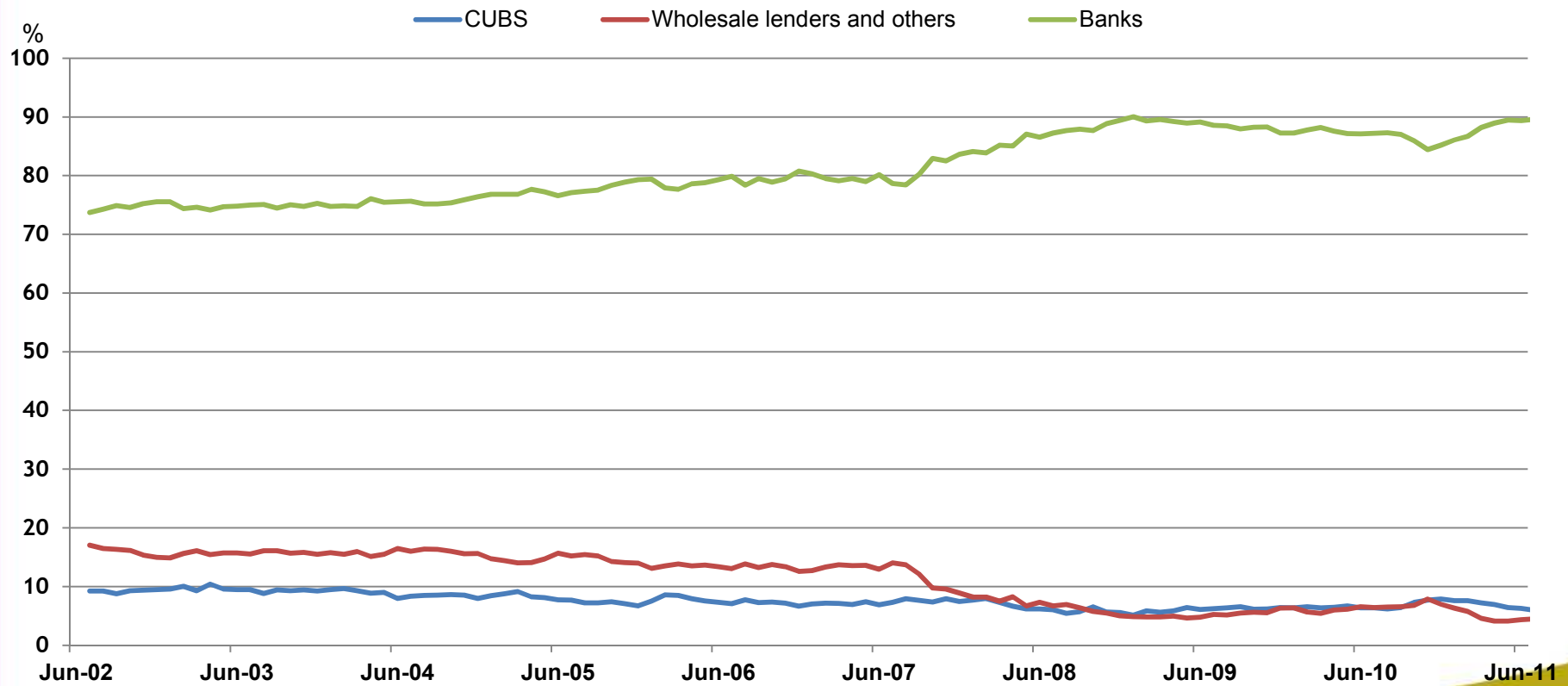




## A challenging economic environment:

- the Australian consumer has become very cautious
- the Australian consumer prefers to save than to borrow
- competition in housing lending will remain strong

# Share of owner-occupier loan approvals By lender



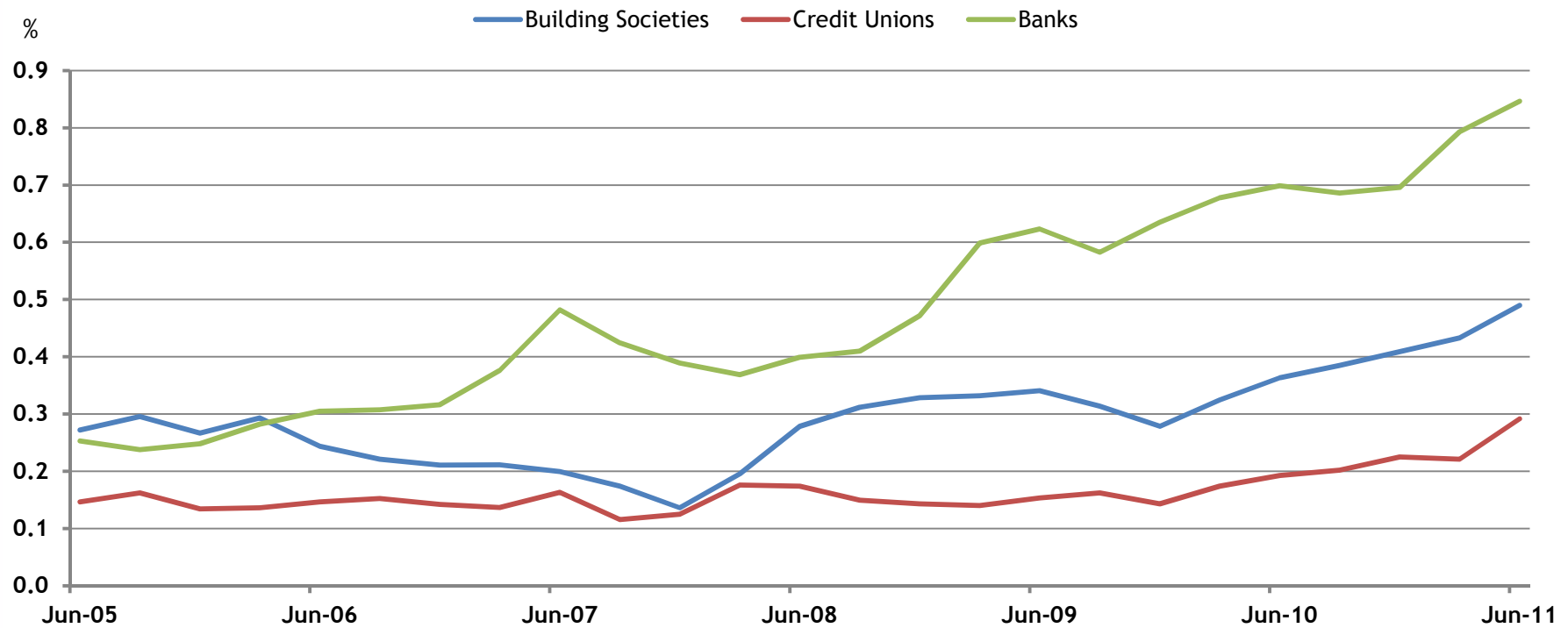


## Some supervisory issues:

- credit standards in housing lending

# Non-performing housing loans

## Percentage of total housing loans



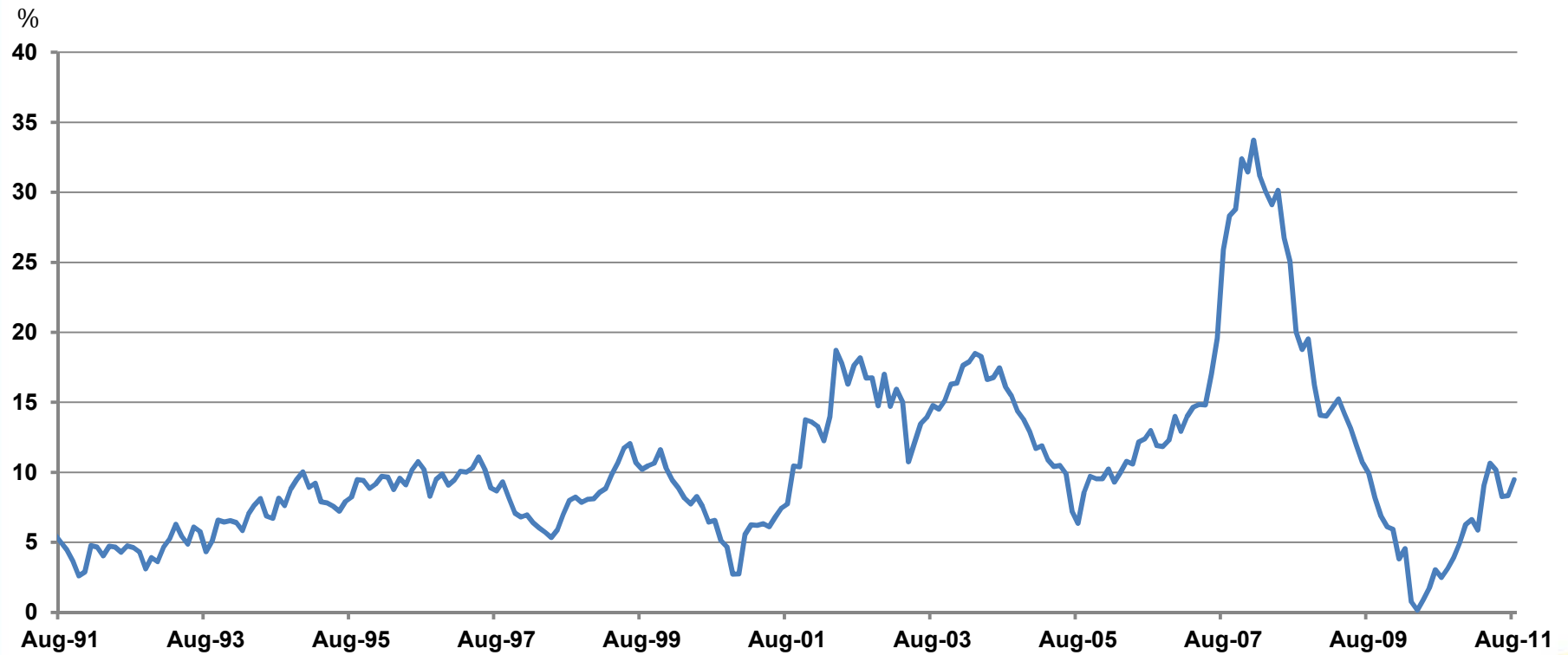


## Some supervisory issues:

- credit standards in housing lending
- liquidity and funding

# ADI deposit growth

Year-ended percentage change





## Some supervisory issues:

- credit standards in housing lending
- liquidity and funding
- governance

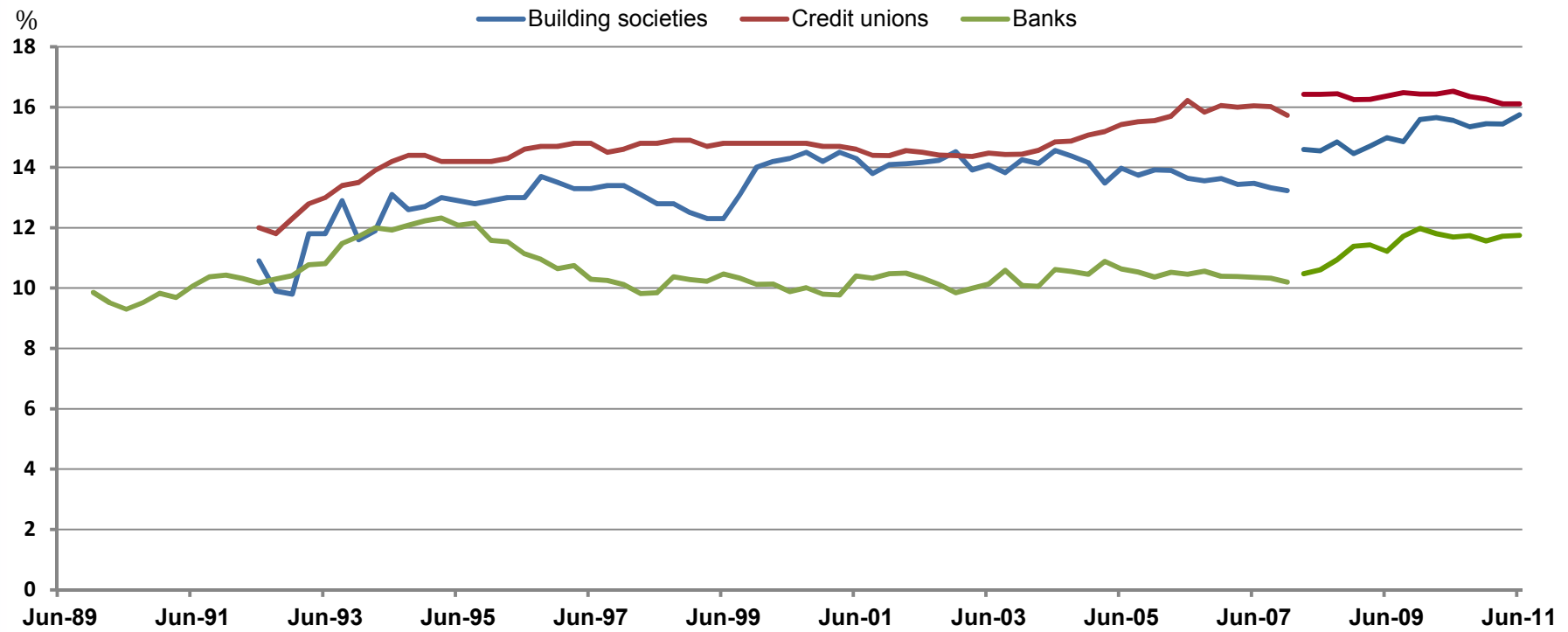


## Some regulatory issues:

- **Basel III capital - nothing to fear**

# Capital ratios

Percentage of risk-weighted assets





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- **Basel III liquidity - little change**



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- **Basel III capital - nothing to fear**
- **Basel III liquidity - little change**
- **use of the term 'bank' - opportunities for some?**
- **the Financial Claims Scheme - work for all!**



## Friendly societies



## Conclusions:

- ‘steady as she goes’ the sensible course



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