

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS

REVIEW OF THE FOUR MAJOR BANKS

National Australia Bank

NAB3QW: Regarding interest-bearing deposits:

- (a) How many deposits are currently held, and what is their aggregate value?
- (b) For deposits held, what was their aggregate dollar value in each of the last six months?
- (c) For interest payments, what was the dollar value paid in each of the last six months?
- (d) What has been the reduction in interest payments resulting from the last two interest rate cuts?

Answer:

Note: the data below includes Australian deposits only.

How many deposits are currently held, and what is their aggregate value?

As at September 2019, NAB had 4.9m depositors across all deposit products with interest bearing deposits totalling \$311.3b.

For deposits held, what was their aggregate dollar value in each of the last six months?

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Deposit Volumes (\$b)						
TOTAL	\$309.2	\$308.0	\$308.6	\$312.4	\$313.6	\$311.3

For interest payments, what was the dollar value paid in each of the last six months?

	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
Interest Paid (\$m)						
TOTAL	\$461.0	\$467.2	\$421.7	\$397.0	\$375.1	\$348.8

What has been the reduction in interest payments resulting from the last two interest rate cuts?

The average daily interest paid from Oct-18 to May-19 was \$15.3m (or 1.82%). Following the two interest rate cuts in June and July 2019, this has decreased to \$11.6m as at September (or 1.36%). Therefore, the average daily interest reduction was \$3.7m or 0.45% over this period.