

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 2 June – 4 June 2009

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Question: bet 46

Topic: % of Securities Held By Non-Residents

Hansard Page: E132

Senator Bushby asked:

Senator BUSHBY—In February you indicated the last one was December at that point. It has been four months since then. I would think that we have had another one since?

Mr Bath—The March quarter is due out either this week or next week. December might have been the answer to the question, ‘What is the next available quarter?’ but in February it might not have been available.

Senator BUSHBY—In a pack of information they have given me, my staff have given me a copy of the latest one which came out today.

Mr Bath—Right, it was released today.

Senator BUSHBY—You are not going to be able to questions for me on that here because you will not have had a chance to analyse it.

Mr Hyden—I have not seen it as yet, Senator.

Senator BUSHBY—I could give it to you; I have a copy here if you like, but they have highlighted some things here, and I am not really sure what they have highlighted. In February you indicated that the percentage of securities held by non-residents was over 60 per cent, and in answer to a question on notice, you actually indicated it was actually 68 per cent. I have not had a look through this, but just on a quick glance it does not seem to have that figure poking out. I think it requires some analysis. Can you take on notice what is the current percentage of securities held by non-residents and provide that figure for me?

Mr Hyden—All right, I can do that. I might say that there is quite a lot of variation from quarter to quarter in those figures. It is not a monotonic series; it is one that goes up and down. I am not sure if there is any clear reason for it.

Senator BUSHBY—Would you be able to provide an historical chart or information showing what those figures were over, say, the last three or four years?

Mr Hyden—Yes, certainly.

Answer:

The following table provides details of estimated non-resident holdings of Commonwealth Government Securities (CGS) since end-March 2005.

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End-Quarter	Market value of CGS held by non- residents (\$ million)	Market value of CGS on issue (\$ million)	Percentage of CGS held by non- residents
March 2005	31,934	60,029	53%
June 2005	34,361	62,139	55%
September 2005	34,475	57,272	60%
December 2005	33,551	59,026	57%
March 2006	31,777	59,139	54%
June 2006	32,563	58,877	55%
September 2006	35,945	60,574	58%
December 2006	31,976	55,276	58%
March 2007	30,260	56,578	53%
June 2007	32,614	56,510	58%
September 2007	34,420	58,782	59%
December 2007	39,241	56,886	69%
March 2008	37,637	58,424	64%
June 2008	35,864	58,371	61%
September 2008	37,433	59,873	63%
December 2008	44,610	67,390	66%
March 2009	46,915	80,491	58%

Source: Australian Bureau of Statistics catalogue no. 5302.0 and Australian Office of Financial Management.