

Overview of Australian markets

- There are **~2.2k listed entities** in Australia, with **market capitalisation** of \$2.5tn (~2% of global market capitalisation). In FY'22, **217 IPOs raised \$59bn** (the highest number of IPOs since 2007) and there was **\$54bn in secondary raisings**.
- **88 market participants** are gatekeepers to Australian securities and futures exchanges.
- **Equity market is slowing: ~\$9bn turnover/day (retail ~12%)** from pandemic high of \$17bn (retail 20%). **S&P/ASX 200 Index is ~6.5k points** (from 7.6k high in '21. Was 4.8k in Mar '20).
- **Futures volume up 77%** in Jun to 743k contracts/ day with **energy/ commodities volatility**.
- **Bond issuance up** significantly over the pandemic to **\$2.3tn outstanding**. **Yields have risen** in '22 together with rates and inflation (by ~150% to 3.7% in Sep).

Key statistics (July 2022 unless specified)

Australian Equities Market	
# of equity participants	66
# of securities dealers	1100+
% on ASX, Cboe, off-market	74:10:16
AUM of the 302 listed ETFs	\$130bn
Prospectuses lodged in FY22	876
Control transactions lodged FY22	87
Australian Retail Trading	
Av daily equity retail turnover	\$1.2bn
# of CFD issuers	62
Client money with CFD issuers	\$1.8bn

Australian Futures Market	
# of futures participants	35
Notional value open contracts- Aug	\$1.8tn
Australian Debt Market	
Primary debt issuance YTD	\$176bn
Value outstanding AUD bonds	\$2.3tn
Av daily debt traded	\$30.4bn
Global green bond issuance '21	US\$513bn
Australian OTC Market	
Av daily turnover in AUD FX	\$102tn
Global notional OTC derivatives	US\$600tn

ASIC activity snapshot

Outcomes	FYTD 23	FY 22	FY 21
Substantial surveillances completed – Market Supervision	65	240	216
Referrals to Enforcement – Market Supervision	5	26	27
Prospectus stop orders – Corporations	3	17	13

Priorities

Fair & orderly markets: fair *capital market* transactions, monitor for *market abuse*, enhance *systems/ data*, disrupt *scams*, review *automated trading/AI/ML*

Cyber, technology & operational resilience: test cross-industry *cyber* preparedness, *remote working* arrangements. Implement new *market integrity rules*, *CHESS* and *Cboe* upgrades, *market outage* expectations

Governance, risk management & sustainability: implement *FAR*, monitor *sustainability*-related disclosure and governance, proactive *supervision of intermediaries* (inc *capital, client money*), test *whistleblower policy compliance*, improve *wholesale market conduct*

Product design & governance: test *digital engagement* practices, *DDO* compliance, *neo-brokers, crypto* offerings. Disrupt *high risk retail offerings*

Resourcing – FTE for FY 2023

Market Supervision: 74	Market Infrastructure: 29	Corporations: 47
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