



## Media Release

For release: 4 March 2016

### **ANZ rejects ASIC allegations regarding bank trading and the bank bill swap rate**

ANZ today rejected allegations regarding bank trading and the bank bill swap rate (BBSW) made in this afternoon's statement of claim by the Australian Securities and Investments Commission (ASIC). ANZ will vigorously defend legal action brought by ASIC.

Since mid-2012 ASIC has been investigating the practices of 14 panel bank participants in the Australian interbank BBSW market covering the period 2007 to 2012. ASIC's statement of claim in relation to ANZ covers to the period March 2010 to May 2012.

ASIC has advised ANZ that it has no concerns about the bank's current market practices and ANZ notes there has been no allegation of collusion between it and other institutions.

ANZ Chief Risk Officer Nigel Williams said: "We have cooperated fully with ASIC's investigation over many months, at a cost of many millions of dollars. This includes actively seeking to resolve the Commission's concerns since January 2015.

"We believe the Commission's statement of claim is based on a misunderstanding of how bank bill issuance and interest rate risk management operates and the limited case law which applies to this area.

"Our practices in the BBSW market were consistent with Australian market practices in wholesale financial markets and we reject ASIC's characterisation of the transactions in question.

"Chat messages between traders is an issue that we will continue to review. We have already dealt with chats and behaviours that breach our Code of Conduct through internal disciplinary action against the individuals involved.

"Since June 2014 we have also engaged ASIC about chat messages between ANZ traders. We do not agree however with ASIC's characterisation of the issues related to the chat messages. It is now for the Courts to provide clarity on trading practices," Mr Williams said.

ASIC's legal action is likely to take a considerable time to reach a resolution through the Courts and the matter of penalties is uncertain.

For media enquiries contact:

Paul Edwards, +61 434 070 101  
Stephen Ries, +61 409 655 551