

ANZ's share of business lending drops in 2004

(26 October 2004 – Australia) As background to today's market results, ANZ's share of business lending to both Australia's Corporate and Commercial market segments has fallen over the past 12 months, East & Partners research shows.

ANZ's share of wallet – ANZ's share of its primary business customers' overall spend with banks – has also dropped significantly in both segments.

East & Partners principal analyst Paul Dowling said the business lending market in Australia continued to grow but had become increasingly competitive.

“There's been some evidence of ANZ shifting accounts it no longer wanted as well as some disconnect regarding whether product specialists or relationship managers own the relationship with its business customers,” he said.

“A lot of our competitive pitching data shows that ANZ is among the most active chasers of new accounts. If existing customers are being neglected as a result, loss of wallet share can only be expected,” Mr Dowling said.

ANZ Market Share Trend

	Current	6 Months Ago	12 Months Ago
Corporate & Institutional Market			
Short Term Domestic Lending			
Primary Relationship Share	19.2	20.3	21.9
Average Customer Wallet Share	78.7	85.5	89.5
Long Term Domestic Lending			
Primary Relationship Share	19.2	21.0	23.2
Average Customer Wallet Share	88.8	91.1	90.3
Commercial Market			
Short Term Domestic Lending			
Primary Relationship Share	16.8	16.5	19.0
Average Customer Wallet Share	80.5	86.1	91.3
Long Term Domestic Lending			
Primary Relationship Share	14.4	14.9	16.2
Average Customer Wallet Share	66.5	70.0	78.9

Notes:

- Primary Market Share means percent of customers with principal lending relationships with ANZ.
- Average Customer Wallet Share means average percent of customer's total business.
- Corporate & Institutional Market is defined as the Top 500 corporates in Australia based on annual revenues.
- Commercial Market is defined as enterprises turning over A\$20-340 million per annum.

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