

## Doing Business in Australia

### By Adam Everett - November 2010

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So Australia is ranked as third in the world for political stability. We have one of the oldest democratic constitutions in the world. We have adopted many government conventions from the United Kingdom, and having that stability allows investors to confidently participate in Australia's financial markets.

Our main trading partners are China, Japan, and the U.S. in that order. Together they make right about 35 percent of the two-way trade that we have with the world. The main trading goods and service that we have are coal, iron ore, and education services, of which the U.S. is a big recipient of our services.

What we're finding though is that because of the trends in cash management, many of the treasurers or the financial practitioners are looking for line of sight and protection of capital. So we've noticed there's a low appetite for risk and making sure that they have access to liquidity.

If we look at the payment trends in Australia, we've noticed that the pick up of electronic channels has exponentially increased over the last three years with check paper instruments decreasing by 14 percent per annum. So it's a big shift.

J.P. Morgan offers basic check accounts with credit and debit rates, but depending on the appetite for risk that our clients have, we can attach many different type of investment instruments to those accounts. We can offer overnight investments. We can offer longer term treasury bill investments, term deposit investments, all with different types of risk, and the commensurate returns that reflect those risks.

I suppose there are two strong elements that make J.P. Morgan unique in Australia. It's our brand and our people. Coming out of the global financial crisis, J.P. Morgan brand actually strengthened. Again, it's a reflection of the people that I believe are behind that brand and the leadership positions and how they're held by their peers. All of those elements put together saw J.P. Morgan being awarded the best transaction bank and the best cash management bank in Australia for the last two years.

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