

# Executive Roundtable and Professional Placements

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## Session 3, Part 1

Commercial and Regulatory Responses to Current Financial System Turbulence:  
Some Regulatory Points in Response to Recent Financial Markets Turmoil

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### Welcome

- Ni hao
- Huan yin my er ben
- Wo shi David Bannatyne
- Corporate Centre Chief Risk Officer
- Corporate Centre risks and new businesses e.g. Great Western Bank, US
- Commercial impacts.....

## Global Regulation?

- Too much global response to cover
- However, single out Financial Stability Forum report, recommendations to enhance the resilience of the financial system
- Improved speed of response - Australian treasurer responded almost instantly
- Australia is not the only quick one; the success story of China and AML to become a FATF member quickly!

## What has the turmoil meant for regulators and NAB?

- More contact, more information requests
- Manage your regulatory relationships well
- NAB has learned lessons and corrected
- NAB needs regulators e.g. basel 2
- Some success, e.g. reduced OFAC fine

## Markets

- ASIC and UK FSA vigilant to market abuse risks, short selling
  
- New ASIC priorities
  
- Insider trading also a priority
  
- FSA example, recruiting lawyers, arrests of 8

## Australia and China

- Despite the global turmoil, work on mutual recognition continues apace
  
- Govt to govt, ASIC and CBRC, CSRC, HKSF
  
- ASIC report on capital flows
  
- Australia as an international financial services centre - a win win for Australia and China?

## Regulators to maintain Market Confidence

- Compare US and Australian house lending
- Success of the twin peaks regulatory model
- Challenges for UK FSA, and liaison with central bank

## Keeping Up with Regulatory Change

- A new pace of change and contact
- NAB has a dedicated Group Regulatory strategy function, and many work on the subject
- Well developed contact strategy, e.g. me OFAC
- A Global horizon -IOSCO example
- Xie Xie