

## Split banking in Asia Transaction Banking on the Rise

(30 November 2011 – Australia) Research from top industry consultants East & Partners' latest Asian Institutional Transaction Banking Markets report has shown a continued trend in the increased use of secondary transaction bankers by the top 1000 Institutions in ten Asian countries excluding Japan.

This trend of increased use of a secondary banker has been evident for the last three years over all countries and specialist transaction products covered by East & Partners.

Since 2008 there has been an increase of 4.7 percent in the uptake of a secondary core transaction banker by Asian Institutional customers.

Coinciding with this greater use of a secondary bank is the increasing amount of wallet share that each customer is allocating to their secondary provider. This percentage of wallet share has seen a relative increase of 25 percent since November 2008, from 17.5 percent of the customer's total transaction banking volume to their secondary provider, they are now allocating 21.9 percent.

East & Partners' Principal Analyst Paul Dowling commented, "These split banking trends are of course mirrored in the proportion of transaction volume wallet Institutional customers in Asia are assigning to their primary transaction banks. The average relative reduction over the past three years is 9.1 percent, a significant proportion of business "leaking" out the relationship's back door for primary providers."

"We have seen acceleration in secondary transaction bank penetration post the GFC with much away-banking led by Trade Finance, Money Market and Short Term Debt solutions" Mr Dowling concluded.

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## About East & Partners' Asian Institutional Transaction report

East & Partners' Asian Institutional Transaction Banking Markets report examines market share and bank-by-bank customer satisfaction performance across key transaction banking products, service and relationship attributes in Asia's transaction banking markets. Mind Share and Customer Churn are also reported in what is now a ten year old analysis service. The twice yearly report is based on direct interviews with the Top 1,000 institutions in ten Asian countries excluding Japan.

For more information or to interview East & Partners on this report please contact:

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