Countries with a Common Law tradition, strong protection of shareholder rights, good accounting regulations, low levels of corruption, and no explicit deposit insurance tend to be more market-based. There are some countries that show up as well-developed by all measures (Australia, Great Britain). Similarly, the United States and the Philippines are both market-based systems, but the markets in the Philippines are not as effective at providing financial services.
Banks play a central role in the Australian financial system, holding the majority of financial system assets. In addition to traditional retail deposit-taking and lending activities, banks are involved in almost all other facets of financial intermediation, including business banking, trading in financial markets, stockbroking, insurance and funds management. Of these, two are the subsidiaries of large US LMI groups and the third, a subsidiary of a UK insurer, no longer writes new LMI business in Australia. Around 20 per cent of Australian mortgages are protected with LMI cover, which is relatively high by international standards. Securitisation Vehicles.
The Australian financial system consists of the arrangements covering the borrowing and lending of funds and the transfer of ownership of financial claims in Australia, comprising: Australia, officially the Commonwealth of Australia, is a sovereign country comprising the mainland of the Australian continent, the island of Tasmania, and numerous smaller islands. The foreign exchange market is a global decentralized or over-the-counter (OTC) market for the trading of currencies.