

Australia, a Market Leader in the 21st Century

Presenter: *Leslie V Hosking*



Evolution of Markets

- structure of markets – primary/secondary/derivative
- the interrelationships between raw and finished product
 - traditional example – the grain crush
 - new examples – coal/electricity/emissions

The Development of Environmental Markets.

How much interest is there for the use of markets to achieve environmental objectives?

(eg. SO₂ trading in the US and emissions trading in the Kyoto Protocol)

The Proposed Carbon Sequestration Market .

- Sequestration credits in forests can be sold to emitters that are concerned about the future price of CO₂ permit under the Kyoto Protocol.
- Companies can seek to hedge the impacts of the Protocol using risk management products.
- The market could stimulate additional forestry investment. This is good for regional forestry employment.
- Other benefits also include reduced soil salinity and soil erosion, enhanced water quality, land bio diversity.

Introduction to the Australian Centre for Global Finance

- Objectives of the Centre
- Key initiatives underway
- Achievements and feedback from overseas visits



The key requirements for establishing new markets and investment – and what has Australia got to offer?

- Taxation and investment policies to attract new products and investment
- Sound legal and banking system
- Efficient financial markets (for trading and risk management)
- Political stability (reduced sovereign risk)
- Openness to the world economy and international trade
- Skilled/Trained Multilingual Workforce.
- Lifestyle/Environment.

A Capital Markets and Environmental Products

- The future of Australia as a global financial centre.
 - an opportunity in the 21st century.
- The future of markets to achieve environmental objectives.
 - Australia, a Market Leader in the 21st Century.

