

OzForex takes on world with MacBank

Brendan Swift

Macquarie Bank's retail division has acquired a majority stake in online global foreign exchange dealer OzForex.

The deal will help OzForex accelerate its global expansion plans and boost its client base with Macquarie Financial Services' 670,000 Australasian customers.

"We feel there will be significant scope to get them to use our product given a lot of them would have overseas assets or an interest in overseas investments," OzForex

KEY POINTS

- Macquarie Financial has 670,000 Australasian customers.
- Boutique forex firms are winning a bigger share of the SME market.

joint managing director Matthew Gilmour said.

OzForex will be the recommended forex supplier to Macquarie's 383,000 cash management trust clients, those trading in international equities and clients with employee

share ownership plans who need to sell shares and repatriate the funds in a different currency.

The business, which operates in the Australian, United Kingdom and New Zealand markets and has more than 30,000 active customers, plans to push further into the UK and open an office in Toronto, Canada, next month.

OzForex was launched in April 1998 to provide smaller customers with cheaper forex services than the major banks.

The financial terms of the deal were not disclosed, although exist-

ing equity in OzForex was evenly sold down by the three owners: Mr Gilmour and co-managing director Gary Lord (both with 47.5 per cent stakes) and an undisclosed small investor (5 per cent).

Mr Gilmour and Mr Lord will continue in their full-time roles, with an increased focus on offshore expansion, while Macquarie division director Neil Helm will become chief executive.

The head of Macquarie Private Wealth, Peter Coleman, said the acquisition would provide Macquarie with capability it did not

have. Mr Coleman and the head of Macquarie Financial Services Group, Peter Maher, will also join the OzForex board.

Mr Gilmour said the strongest growth in demand for forex services was from private clients with direct investments in overseas shares or property, although small to medium-sized businesses would also be served.

A June 2006 survey by researcher East and Partners found boutique forex providers were winning an increasing proportion of the small to medium-sized business market.

Westpac Lending Rates

HOME LOANS (Owner Occupied)	
First Option Rate	7.49%p.a.
Premium Option with 1 Year Guaranteed Rate (for new loans**)	7.09%p.a.
Premium Option Home Loan (Variable Housing Rate)	8.07%p.a.
Fixed Rates**	
1 Year	7.35%p.a.
3 Year	7.49%p.a.
5 Year	7.55%p.a.
Basic Housing Rate†	7.87%p.a.
Income Maximiser Rate†	8.28%p.a.
Rocket Repay Housing Rate†	8.17%p.a.
Rocket Variable Rate**	8.07%p.a.
EQUITY ACCESS	
Equity Rate* including Equity Access - Plan 1†	8.22%p.a.
Equity Access - Plan 2 Rate	8.22%p.a.
Equity Access Rate	9.07%p.a.
Rocket Access-Equity Rate	8.22%p.a.
Rocket Equity Investment Rate	8.22%p.a.
INVESTMENT PROPERTY LOANS (Residential Investment)	
First Option Investment Rate†	7.59%p.a.
Investment Loan with 1 Year Guaranteed Rate (for new loans)	7.09%p.a.

Super funds chase wealthy

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MLC's general manager of superannuation and investments, Anthony Waldron, said the wealth manager had hired extra people to cope with the demand.

"If people haven't seen an adviser by now, they have probably left it too late," he said.

Aviva chief executive Allan Griffiths said the funds management arm, Navigator, had experienced a 45 per cent increase in net inflows in May above the \$300 million it recorded a year ago.

"All indications are that June will be a substantially bigger month than the same time last year," Mr Griffiths said.

