Question and Answer

Operator

[Operator Instructions] Our first question is from Ed Henning from CLSA.

Edmund Anthony Biddulph Henning
CLSA Limited, Research Division

And I'd just start with a question on NIM. And if you look at the margin you're paying away to the Community Bank and the Alliance Bank share, it's been declining over the last 3 halves, but yet your growth in Third Party mortgages has been going up substantially. Can you just run through the outlook for that and what's driving that, please?

Travis Crouch
Chief Financial Officer

Yes. Thanks, Ed. It's Travis here. So what we're seeing there as far as what we're reporting from previous halves really reflects the -- predominantly the revenue share through the Community Bank and Alliance Bank partners. As we saw the reductions in the cash rates down 1.25% over the, I think, June '19, that has affected the revenue share payable to our Community Bank and Alliance partners, given their strong focus on deposits. So that has seen an impact in there as far as the revenue share. As far as an outlook, obviously, rates are looking like they're fairly steady at the moment. You're right. We are seeing strong growth in the Third Party. So I think that reduction we've seen there, particularly over the last financial year really reflects the reduction in interest rates. I don't expect that to continue.

Edmund Anthony Biddulph Henning
CLSA Limited, Research Division

Okay. That's great. And then just a second question on costs. Can you just run through there -- are you anticipating to force annual leave to reduce the headwind of the leave provisions to help you hold that costs growth flat down? And also just with the accelerated amortization and also the impairment, are they tailwinds that help your growth in FY '21?

Travis Crouch
Chief Financial Officer

Yes. So obviously, I spoke about the higher leave provisions or the higher staff costs as we've responded to the changing working environment and supporting our customers. Since June, we've been working with all our staff to make sure we're all taking leave, both from a financial point of view and from a staff welfare. So that is certainly a focus for us as we come into this new financial year. As far as a tailwind from the amortization changes, we don't expect amortization to increase. But as I said, with the change in the capitalization threshold, and the change in the way we're looking at regulatory and compliance initiatives, we will be expensing more of that at the time. So I expect that to actually pretty much offset the change or the reduction in future amortization.

Operator

Our next telephone question is from Joshua Freiman from Macquarie.

Joshua Freiman
Macquarie Research

Well done on the result. Just a couple of questions from me. First off is staff costs and other administration expenses, in particular, have seen material uplifts. Are you able to provide some color on whether these costs are one-off or whether they're likely to persist and be sustained in the P&L? And just a second point on that. Have you had to push back any of the phasing of any transformation initiatives or technology development given COVID impacts?

Travis Crouch
Chief Financial Officer

Thanks, Josh. It's Travis here. So we obviously gave a fair bit of detail on the call there around the increase in staff costs. A number of those items reflected the full year investment -- the full year impact of our investment and also the full year impact on some of the changes that we made towards the back end of 2019. The other admin expenses or the other expenses reflects the category where the accelerated investment in technology sit of around about $50 million in total or $52 million total, most of that is in that other admin expense. So as I said, we are still looking or targeting either a flat OpEx or depending on the timing of our cost transformation initiatives, a small reduction. That's what we're targeting, and that's what we're working hard on as we come into this year.

To your question around have we had to delay or change that investment during the year, we were -- about 1/3 of that spend was related to regulatory projects. Open banking was one of those. We were committed to meeting those deadlines from a regulatory compliance point of view. But as we get through every period, every piece of work on that, we actually assess what the investment is next. And that's the way we will do this project or this piece of transformation all the way through. So it's something we have the ability to rethink. And we haven't had to shift anything out yet based on what we expect to get through in those -- in the last 6 months.

Joshua Freiman
Macquarie Research

Perfect. And I guess just second question would be on the margin. So just in your pack, you provided that regular chart you normally do on monthly margin movements. Would you be able to provide a little bit more color on what caused the volatility over the half? And how you expect it to normalize down to be a couple of bps lower than the exit rate of, I think, it was 2.33%?

Travis Crouch
Chief Financial Officer

Yes. So the volatility during the half really reflected the 2 cash rates we had in March. So obviously, just the timing of the cash rate changes, the timing of the -- when we pass that through to our deposit and lending customers. There is slightly different timing on some of those. So there is always volatility. We obviously haven't had 2 cash rates in the month, so that obviously created even more volatility in the half. As you said, we finished at 2.33%. My comments there I expected NIM to be slightly down for the first half on that 2.33%. That really reflects just the flow-through from some of the impacts that we saw in this second half off the back of the cash rate. But really, with an RBA view for a fairly stable interest rate environment, we certainly don't expect that volatility that we saw at the time of those 2 cash rates back in March.

Operator

Our next telephone question is from Andrew Lyons from Goldman Sachs.

Andrew Lyons
Goldman Sachs Group, Inc., Research Division

Just 2 questions. Firstly, your full year capital ex the capital raise would have been at 8.42%, down 50 basis points in the year or down 10 bps ex the COVID overlay. How comfortable are you that you can improve the ROE of the underlying business to ensure you can sustainably fund growth in the business? Second question, Slide 47 highlights that your total provisions included a $21 million GRCL top-up for COVID-19. My understanding is that the GRCL is effectively a regulatory provision top-up when your accounting provisions for short of a certain requirement, which I understood is fairly objective. Can you, therefore, please just explain why a component of your COVID provision top-up was able to be reflected in the GRCL as opposed to going through the P&L.?

Travis Crouch
Chief Financial Officer

Thanks, Andrew. So your first question around our capital levels and looking forward as far as sustaining that. Look, that obviously, is a combination of profitable growth that Marnie has spoken about, but also the what we're targeting through our cost transformation program from an overall business performance point of view. So yes, the answer is I'm comfortable we can sustain that. And we can sustain it within that target range that we've spoken about between the 9% and the 9.5%.

As far as the GRCL, so that's the way we have to account for that, and that really is the appropriation or the -- reflects the expected lifetime losses of stage 1 loans. It's not that -- in addition, it's actually just the way we have to account for it under the APRA requirement that reflects the expected lifetime loss for stage 1 loans.

Operator

Our next question comes from Jonathan Mott from UBS.

Jonathan Mott
UBS Investment Bank, Research Division

I've got a question. You talked a lot at the start about the latent opportunity, and you can see you've got a great customer franchise. But when you look at the retail distribution down to 42% of settlements now and despite such a good distribution network you've got, and most of the growth that you've got is coming through Third Party and especially now white label, really, cranking up. So question is in a 0 rate environment, is now the time that you really want to be pushing through into white label? Is it still making an adequate ROE in a 0 rate environment or new 0 rate environment? And what do you need to do to get the proprietary channel performing again? I know you mentioned it's turned in the last month, but more sustainably, how do you get that retail channel, which is going to be a much higher return to improve?

Travis Crouch
Chief Financial Officer

Jon, it's Travis here. I might jump in first. Then Marnie, if you want to add anything around the distribution model as well. But yes, it is appropriate time to continue to invest in through the Third Party through our partners there. Look, our Retail, our branch network has delivered significant deposit growth for us again during the half and during the year. That gives us the ability to fund the asset growth, so it is certainly a valuable part of our business. The fact that it actually can attract continual flows in from a deposit point of view, which lets us use those deposits to actually write the asset growth that we're seeing on the Third Party side. But as I did say earlier on, as you picked up there, we have seen an improvement in activity over the last couple of months and particularly continuing into July. So we actually feel like that, that's in a good spot as well. But Marnie, did you want to add anything else?

Marnie A. Baker
CEO, MD & Director

Yes. I think the only thing that I'd add, too, is the branch network, I mean, what they bring that actually doesn't come through Third Party or through the broker network is actually a customer relationship, and that opportunity to actually deepen that relationship with those customers. And the slide that you're referring to, Jonathan, it really was about trying to explain that there is a lot of latent opportunity there, especially since we've been growing customer numbers so quickly. There is that latent opportunity now to deepen the relationships because, of course, when you're growing customer numbers, they come with 1 relationship, with 1 product, whether that be a deposit or loan. And then you get that opportunity to actually do more for both customers and add more value there.

Jonathan Mott
UBS Investment Bank, Research Division

And would you consider the white label customers to be your customers? And would they even know that they are on the Bendigo balance sheet?

Marnie A. Baker
CEO, MD & Director

They know that they're on the Bendigo balance sheet. Absolutely, they do. But they are -- those products are actually sold under the white label of those mortgage managers. So that is who those customers are dealing with, and that the customers have -- who they've joined with. So -- but absolutely, do know that the balance sheet underneath that and the loan itself is actually being provided by Bendigo and Adelaide Bank.

Operator

Our next telephone question is from Brian Johnson from Jefferies.

Brian D. Johnson
Jefferies LLC, Research Division

Two questions, if I may. First one for Marnie. Marnie, the decision to defer the dividend, particularly after Commonwealth Bank basically had a dividend. Is this telling us something about the forward capital, the forward earnings or uncertainty still as far as you guys are concerned from APRA?

Marnie A. Baker
CEO, MD & Director

Look, it's very hard. I don't think you can actually compare us to the Commonwealth Bank, I mean, what they've done from a divestment of businesses and so forth in their capital position. As a result of that, they are in a different spot than what we are. Look, it does actually reflects the uncertainty of the environment. The Board is making a really prudent decision at this point in time to defer that decision in light of, we really don't know how things are going to play out. And until such time as we do, then it does make sense to preserve that capital. Our capital is unquestionably strong. You heard Travis before. We're sitting within the range that we've been targeting and feel quite comfortable with the strength of our capital and both our balance sheet position.

Brian D. Johnson
Jefferies LLC, Research Division

Okay. Marnie, the second one is just if I go through to the slides that the backward talks about basically the provisioning and the economic outlook, Slide 61 and 62. Given that you've still got quite sizable probability weighting for some of these more adverse scenarios, but we can only really see on Slide 61, the difference between the base case and the significant deterioration. Could you just run through for us, basically, why June doesn't -- why you haven't adjusted it since May, despite the fact that we've gone into lockdowns in basically Victoria, but what are those other scenarios in -- that could quantify what they actually are?

Marnie A. Baker
CEO, MD & Director

Yes. Look, we have -- and I'll pass over to Taso, who can provide you a bit more detail here. But we are continually stress testing the portfolio and have been doing that on a very regular basis, not only for ourselves, but of course, for the regulators as well. We did provide the provision in May, and we have continued to test against that and still feel comfortable with the collective provision overlay that is there. So Taso, whether you want to talk more about some of the other scenarios?

Taso Corolis
Chief Risk Officer

Yes, Brian, probably the key thing to highlight, which I touched on through the slides. With our significant deterioration and the base case there on Slide 61, we did assume a greater deterioration in Victoria, and that was really just in recognition of the weighting we have for the state. When we went through and we reviewed the economic outlook monthly up until a few days ago with the last RBA release, clearly, where the economy was, it was more favorable than where our forecast had it. And we continue to look at our economic outlook and make any decisions around revision on a monthly basis, but there's still a lot of uncertainty, and that's why we've, obviously, through our probability weighting skewed very heavily towards the downside.

Brian D. Johnson
Jefferies LLC, Research Division

Sorry, Taso, but can you run us through -- I mean you still got sizable proportions to these ones that aren't the significant deterioration. You've even got some month -- you've even got some mild improvement basically reflected in the weighting. Could we just find out what these other scenarios actually are?

Taso Corolis
Chief Risk Officer

Sorry, Brian, are you trying to understand what's in the mild improvement?

Brian D. Johnson
Jefferies LLC, Research Division

Yes. What's in the mild improvement. I can see what's in significant deterioration and the base case, but I can't see what's in mild deterioration. I can't see in mild improvement. I can't see significant improvement. All of which, well, except for the significant improvement, you don't have a weighting towards. But the other ones you do. But it'd be just -- I just think it will be interesting to actually know what those numbers -- what those scenarios actually are?

Taso Corolis
Chief Risk Officer

I don't have all those details. That's something we can take on notice and obviously come back to you.

Operator

Our next telephone question is from Andrew Triggs from JPMorgan.

Andrew Triggs
JPMorgan Chase & Co, Research Division

A few questions interrelated on the questions on cost, please. Firstly, just curious as to why you deemed a good time to sort of accelerate the investment this half. Were there some advantages in doing that, given that it has put pressure on the capital ratio? Also, just I think previous half, you suggested that the cost-to-income ratio is expected to increase modestly in the short term and then return to the first half ratio in year 3 before declining to your long-term target of 50% thereafter. Is that still the case? Or has there been any miss to that? And is that purely COVID-related? Or are there any other sort of issues we should be aware of?

Marnie A. Baker
CEO, MD & Director

Travis, I'll just talk to the acceleration of investment. The world changed for all of us in March. So that 3 months into the 3 months of the last financial year. So at the last half, we talked about accelerating investment. We started to do that. We still believe that there is a huge opportunity for us to grow the business at profitable and sustainable growth and profitable prices. We -- part of the acceleration of the transformation is also around costs and it's around [productivity]. As we do take advantage of the growth opportunities, we need to ensure that we are operating as efficiently as we can, which will help us to actually achieve our long term or our medium term towards 50% cost-to-income ratio.

I'll hand over to to Trav now. But just on the cost-to-income ratio, we did allude to at the last half, and I know that we did remove guidance from the market when the COVID hit. But we did allude to the fact that we would actually see a slight uptick in our cost-to-income ratio. So it is consistent with what we did provide in that first half.

We've also indicated that we will be targeting to return to positive jaws in FY '21 over the FY '21 year. So I hope that gives a little bit of clarification. And Travis, you might want to add something?

Travis Crouch
Chief Financial Officer

Yes. Thanks, Marnie. And Andrew, if I look back 6 months ago and what we're expecting for these 6 months, and I see what's played out, you're right. Our OpEx growth is higher than what we're expecting and what we spoke about. If I look at the key drivers there, there's obviously the notable expenses around COVID-19 that we've actually called out, particularly around staff costs that wasn't known back then. The accelerating investment in transformation was about $10 million higher than what I was expecting, what we're expecting back then. And that reflects our change to the capitalization, as I've talked about, the regulatory and compliance projects. We actually OpEx-ed an additional $10 million in the half than what we're expecting under our previous way of thinking about some of these initiatives. We also had a number of costs in the half. We had additional redundancies. We had some costs associated with reducing complexity, with things like the changes in the community sector banking business. So we did have a number of those costs in the half. But where I get comfort from is they have actually helped improve our outlook going into FY '21.

So look, I think we did miss what we thought we would get to from a cost side for this half. But they are, when you strip out some of those, we're actually pretty close to what we're expecting.

Andrew Triggs
JPMorgan Chase & Co, Research Division

And when you say sort of flat cost to maybe a slight improvement, we're talking just headline -- against the headline number for the full year?

Travis Crouch
Chief Financial Officer

Yes. The cash OpEx headline number, Andrew?

Andrew Triggs
JPMorgan Chase & Co, Research Division

So no adjustments for one-offs in that?

Travis Crouch
Chief Financial Officer

No.

Operator

Our next telephone question is from Richard Wiles from Morgan Stanley.

Richard E. Wiles
Morgan Stanley, Research Division

Just a couple of questions on costs as well. Travis, the expectation for positive jaws in 2021. Does that rely on positive revenue growth? And cost savings, I'm not sure you've indicated what cost savings you have achieved in FY '20. If you have, could you point us to that? And also what level of cost savings do you expect to deliver in FY '21?

Travis Crouch
Chief Financial Officer

Thanks, Richard. So a few questions there. I think you managed to squeeze 3 questions into the 2 limit, but that was good. The revenue outlook as far as for '21 or the jaws outcome does assume a small improvement in revenue year-on-year. So part of that assumption or part of what we're targeting sees a small pickup in revenue, but importantly driven by, as you said, a flat or even a lower cost OpEx outcome for FY '21.

As far as what -- we haven't called out or we haven't identified the dollars behind some of the efficiencies and the complexity that we've actually achieved. But as I said, when I went through some of my slides, a piece of the work that we did with the rural bank ADI license and actually handing that back, that has helped drive lower operating expenses through the Agribusiness year-on-year. A number of the changes, the Community Sector Banking, that will actually see some impacts on FY '21. So we have made some changes in FY '20, and we will make further changes into FY '21. Part of that would be part of the broader cost transformation program. That's early on. We've really kicked that off starting in July, but that will actually deliver savings, which is why we are targeting that cost outcome that is flat or even lower in FY '20.

Richard E. Wiles
Morgan Stanley, Research Division

So you can't tell us the cost savings that you actually achieved in FY '20? And what do you expect to achieve in '21?

Travis Crouch
Chief Financial Officer

They're all represented with my comments, Richard, around the outlook for FY '21 that we are looking for flat to a decrease in cost environment, even with an increase in the investment or the accelerated investment that I talked about.

Operator

Our next telephone question is from Victor German from Macquarie.

Victor German
Macquarie Research

Travis, I was actually hoping to follow-up on your comments around margin. And I appreciate you already provide a lot of useful disclosure. So I'm sort of pushing my luck a little bit. But I know you talked about broadly sort of flattish trends around margin in the first half, but then talked about 7 basis points decline for the full year, suggesting there is a big impact or much bigger impact in the second half. Given that interest rate changes kind of already played out, I would have thought that they should come through in the first half. Maybe you can just explain sort of what's the dynamic, what's holding out margins in the first half and pushing a lot of pressure -- or putting a lot of pressure in the second half?

And second question, just sort of follow-up on capital. You're effectively telling us that you're going to achieve positive jaws. You already provided for fairly conservatively. I mean what are all of the uncertainties that you talk about on the capital side? And maybe you can also give us a little bit of color in terms of unrelated subject, risk-weighted asset inflation. All of the major bank peers talked about risk-weighted asset inflation. Maybe that's the missing piece. If you can maybe give us a sense for what that might do to your risk-weighted asset growth?

Travis Crouch
Chief Financial Officer

Victor, we got 3 questions there as well. So as far as the NIM outlook. As I said, so we did expect NIM to be fairly flat in the first half, maybe slightly down on June's exit NIM. You're right. In the first half, we will see the flow-through of really any of the impacts from the repricing or the cash rate changes in the second half '20. But I -- when we look at NIM in this first half, particularly, we do expect, as I said before, that continuation of the benefit from the funding mix. That strong growth in at-call, particularly. And equally, we do think we can continue to work hard on TD pricing. But my comments or my concerns around second half and then the overall NIM really reflects what, sitting here now, what we look through to think around the level of that core deposit funding. We don't expect that to continue. That one is a hard one to sort of look too far into the future, but we don't want to assume that will continue for the full year. So we don't expect things like that funding mix, things like the benefit from the term deposit pricing certainly to be available, particularly in the second half.

But with saying all of that, we -- the way we think about that front book/back book pressure, we expect that will continue through both halves. So that's where we've derived our commentary on the NIM outlook.

Victor German
Macquarie Research

And so Travis, hedging line has been a little bit volatile. Is that potentially kind of a driver we should be thinking about in the first half, second half?

Travis Crouch
Chief Financial Officer

So it was a headwind for the second half. The way I think about it for the second half, it's probably somewhere similar just given the interest rate environment and our position. That impact really comes from sort of half-on-half as far as the lower income that we saw from hedging. I'd expect that to be a little bit lower, so there would be a small impact on that. But like I said, most of this is around front book/back book and then what we can do around the funding side and the funding mix.

Now apologies, Victor, you did ask a question about capital. I didn't get that one all down. So do you just want to repeat that one for me?

Victor German
Macquarie Research

Yes. So the capital, I guess, you talked about -- and Marnie talked about uncertainties around capital. I'm just sort of wondering what exactly are sort of some of the things that you're cautious about and perhaps, it's not necessarily a third question, it's more interrelated questions with risk-weighted asset inflation. So major bank [D] has talked about deteriorating credit quality, putting density on risk-weighted assets. They've given some numbers in terms of what that might mean in a downside scenario. You're obviously not on advanced accredited or not yet advanced accredited. So I would have thought the impact for you is smaller, but it would be useful to just get a sense for what the impacts are?

Travis Crouch
Chief Financial Officer

Yes. So look, what Marnie spoke about earlier on as far as what the Board considered around acting prudently by deferring the dividend decision was really around the uncertainty through COVID as far as the economic impacts, but particularly in Victoria. So that was really what that decision was around. It was certainly prudent given the uncertainty in Victoria that the Board decided to defer that decision and watch the economic condition in Victoria and Australia. So that was the -- as Marnie said before, the reason for the dividend deferral.

And you're right, it's a minimal impact under as an advanced -- not as an advanced bank, as a standardized bank. We don't see that risk weight inflation or movements that the major banks are talking about. We can provide some further color, maybe in some future updates if there's anything extra that you want to call out about that. But we're certainly, being a standard, I think, we don't have the impact to the IRB bank, too.

Victor German
Macquarie Research

So the risk-weighted asset density is not really growing as a reason -- as credit quality deteriorates?

Travis Crouch
Chief Financial Officer

Not in the same way that we see it come through as an advanced because there is no RWA density issue as a standard I think.

Operator

[Operator Instructions] Next question is from Brett Le Mesurier from Shaw and Partners.

Brett Le Mesurier
Shaw and Partners Limited, Research Division

The other income and by that -- under that category, fee income, commissions, foreign exchange and so on, that's been falling consistently. Do you think the fall in that is over now?

Travis Crouch
Chief Financial Officer

Brett, it's Travis here. The fee income, like, I mean, there is a bit of, obviously, impact from COVID, as I said, around customer behavior and even business and merchant revenue there. So look, I think our fee income, underlying fee income, we have called out that, that continues to decline just with the competitive pressures that we do see. When I think about the product range that we and our competitors offer, I am expecting that as our lending growth continues, that will offset some of that. So look, I think it's a hard one to call as far as an outlook, though, Brett, given the impact that COVID has had in the half. We're all aware of things like international travel and how that might be a fair bit away. So there's a few drivers in there that are outside of our hands to see how that other income will play out.

As I said on the call earlier, though, that commission income, particularly was impacted by the sale of pending our financial planning, reducing other income, reducing expenses and providing an overall positive contribution in this year.

Brett Le Mesurier
Shaw and Partners Limited, Research Division

Given and that's probably going to fall from '20 to '21, you got 7 points of margin decline or thereabout. Are you planning to grow above system? I mean that seems to be the only way that you can get any income growth at all?

Travis Crouch
Chief Financial Officer

Had certainly had good momentum, good growth in the second half, Brett. Good momentum continuing into July. So yes, we are targeting to stay above system.

Operator

Our next telephone question is from Brian Johnson from Jefferies.

Brian D. Johnson
Jefferies LLC, Research Division

I was wondering if we could go back to Andrew Lyons' question on the GRCL. How big is it? And how did you make the decision between the GRCL versus the P&L, given that it seems to figure in your collective provision coverage on Slide 62?

Travis Crouch
Chief Financial Officer

Thanks, Brian. So the decision is such as how we actually have to account for it under the APRA requirement. And it really is the GRCL does reflect the expected lifetime losses of the stage 1 loans. So that's actually calculated based on the stage 1 loan. So it's actually not a decision as far as how we choose to put it between the 2, that is actually how we have to account for it.

Brian D. Johnson
Jefferies LLC, Research Division

So when you talk about the coverage included -- I'm just intrigued that it figures in your explanation of how well provisioned you are, but it's yet to flow through the P&L.

Travis Crouch
Chief Financial Officer

That's because of the accounting treatment and how we have to provide for it, but it does reflect part of our provisioning. So that's always the way we've accounted for it and show our provisioning ratio.

Brian D. Johnson
Jefferies LLC, Research Division

And Travis, I apologize if this is such a silly question. How big is it now at this result?

Travis Crouch
Chief Financial Officer

I was just trying to -- I don't have that number at hand, Brian. We can find that one for you. I'm sure...

Brian D. Johnson
Jefferies LLC, Research Division

If you could, that would be great.

Operator

And our next telephone question is from T.S. Lim from Bell Potter.

T.S. Lim
Bell Potter Securities Limited, Research Division

A couple of questions. What's the COVID impact on the Agribusiness portfolio? And also, how should we think about Homesafe over the next 12, 18 months?

Travis Crouch
Chief Financial Officer

Thanks, T.S. [I might ask Taso] to answer that question, sorry, Taso, I'll start with Homesafe and you can pick up the agri. So as I said on the call earlier, we revised the growth outlook for the Homesafe investment. We reduced that, particularly in the short term. So we're seeing a 4% reduction in the assumptions that we're using for year 1. We've aligned the sort of the 3- to 4-year assumptions with how we thought about the COVID collective provision overlay as far as how we're thinking about house prices there, noting that the Homesafe product is only available in certain areas with in Melbourne and Sydney. So we've made sure we've recognized those areas. How do I think about it over the next year? As I said, the properties that are completing their contract continue to exceed their carrying value even under this revised growth outlook. I think by about 7.5% for the last half. So we expect there will be a continued cash earnings contribution from Homesafe. I think the thing that will still play out is just the level of completions where the customers are actually -- where there's less completions over this time. We'll have to wait and see.

Taso Corolis
Chief Risk Officer

And as, just on your question on the agri book. Today, there's been a fairly nominal direct impact on the agri book. I think we disclosed, there was less than 110 rural bank customers common sort of feature in areas reliance or proportion of farm income in terms of commodities that are more likely to be directly impacted. And we don't have any significant exposure on those. So the impact has been very small today.

Operator

[Operator Instructions] There are no more further questions in the queue. I'd like to hand the call back to the speakers for closing remarks. Please continue.

Marnie A. Baker
CEO, MD & Director

Thank you. So thank you, everyone, for joining the call today, and we got through it without any technical difficulties. So I'm pleased with that. And thank you again for your ongoing interest and support for Bendigo and Adelaide Bank, and we look forward to getting around to see you all or virtually see you all over the next few days. Thanks, everyone.

Operator
Ladies and gentlemen, that does conclude the call for today. You may all disconnect. Have a great day.