

# GLOBAL INVESTORS EYE AUSTRALIA



**GARY LEMBIT**

Client Insights and Analytics

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Australia's residential mortgage-backed security (RMBS) market is seen as an attractive option for global investors. They are drawn to our stable economy, the relative value of our market and the fact that Australian issuers are easy to work with. If they could, these investors would probably increase their stake in the market, but there's a catch.

## **LACK OF SUPPLY**

Perpetual's inaugural *Australian RMBS Global Investor Perspectives Report* found global investors are frustrated by the lack of supply in Australian RMBS. While these investors recognise that banks dip in and out according to the state of their balance sheets, they feel that RMBS should always be on the menu.

The study also found that global investors are interested in a secondary market for RMBS, given their relatively short-term time horizons for holding investments. These investors felt Australia could easily support a strong secondary market and found the prospect of master trusts being introduced highly appealing.

## **MORE VISIBILITY BACKED BY QUALITY DATA**

Lack of visibility of the issuing pipeline is another area of frustration for global investors. Visibility into the pipeline would help these investors incorporate Australian RMBS into their plans which are typically dynamic and global in scope. Access to loan level data and market based analysis beyond what is provided for individual deals is highly valued by investors yet rarely supplied in Australia.

## **COMMITMENT TO AUSTRALIAN RMBS**

When looking for partners, global investors seek issuers that are committed to the Australian RMBS market and willing to engage. The study found that global investors favour issuers who can deliver quality market insights and respond quickly to their queries. For issuers to stand out, they need to keep investors informed about deals that suit their typical investing profile.

## **KEY FINDINGS**

### **AUSTRALIAN RMBS GLOBAL INVESTOR PERSPECTIVES REPORT**



**Demand for Australian RMBS exceeds supply**



**Investors would revel in a secondary market, if it existed**



**The Australian market has strengths, but we're not capitalising on them**



**The Australian property market is facing some challenges**



**Australian issuers could be more engaging**

## **AUSTRALIA RMBS - GLOBAL INVESTOR PERSPECTIVE**

A recent study conducted by Perpetual has found Australian RMBS is in demand among global investors, but Australia is not capitalising on the extent of opportunity.

**> [DOWNLOAD THE REPORT](#)**