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HD **Clamour for property** boosts retail trade
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RETAIL FOREIGN buyers snapping up Australian **property** are helping boost the local retail sector, according to new research.

Overseas investors pumped \$17.2 billion into the **residential property** market in the year to last June, the research shows, with the increased demand having a positive flow-on impact at the tills.

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The report from **property group** Colliers International said higher house prices made consumers feel more confident about opening their wallets.

"Increasing **residential property** values impact on how wealthy consumers feel and in turn their propensity to spend," Colliers head of retail Michael Bate said.

"There has also been a direct impact on retail spending, as many of these foreign buyers — particularly the Asian buyers — are making the most of the lower Australian dollar to **purchase** their luxury retail goods here in Australia." The report found **Chinese** buyers were spending nearly \$6 billion a year on Australian **residential** and **commercial property**.

Research published earlier this month by investment bank Credit Suisse showed **Chinese** buyers have led an international charge into Australian **property**, investing \$24 billion over the past seven years.

Retail spending rose 1.2 per cent in January to \$22.9 billion, seasonally adjusted, according to latest figures from the Australian Bureau of Statistics.

It followed a rise of 0.7 per cent in December and 0.7 per cent in November. The Colliers report said the weaker Australian dollar, which has fallen about 10 per cent against the greenback since August, was a key factor.

Director of research at Colliers, Nora Farren, said a lower dollar discouraged spending on overseas websites. "The good news for domestic retailers is that they are winning a greater proportion of total online sales revenue, with around 74 per cent of online retail sales," she said.

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