



HD Moody's: Australian prime mortgage arrears remain stable in November 2013

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Moody's Investors Service says that delinquencies in excess of 30 days in the Australian prime **residential** mortgage market measured 1.31% in November 2013, up marginally from 1.29% in October and 1.28% in November 2012.

Meanwhile, prime 60-day-plus arrears in November were 0.74%, compare favorably to most markets covered in the report.

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Prime 90-day-plus arrears in November were 0.51%, the same as October, but down from 0.54% in November 2012.

"Looking ahead, we expect the performance trends for the Australian market in 2014 to continue those seen in 2013, with losses remaining low, even though delinquencies will rise incrementally," says Noirit Zaman, a Moody's Associate Analyst.

"This view is underpinned by our expectation for modest Australian GDP growth of 2% to 3%, as well as the continuation of the current low interest rate environment and broadly stable unemployment rates of 5% to 6%," adds Zaman.

Zaman was speaking on Moody's just-released report, titled "Global Structured Finance Collateral Performance Review."

ABOUT MOODY'S GLOBAL STRUCTURED FINANCE COLLATERAL PERFORMANCE REVIEW REPORT

Moody's Global Structured Finance Collateral Performance Review Report is updated monthly and covers the collateral performance of 40 structured finance sectors located globally. In the US, the performance metrics of 12 asset classes are covered, in Europe: 19, in Japan: 3, in Australia: 1, and in Canada: 1.

The report features typical aggregate performance metrics, such as delinquencies and losses, as well as sector-specific metrics that include **residential** and **commercial property** prices, loans in special servicing, refinancing profiles, average WARF levels, senior OC levels, payment rates, and excess spread. The underlying data is also included. The metrics are accompanied by sector commentary and outlooks, and projected losses by vintage where applicable.

Australian data focuses on:

- Australian Prime RMBS
- Australian Home Prices

Subscribers can access the report at:

https://www.moodyys.com/research/Global-Structured-Finance-Collateral-Performance-Review-Excel-Data-PBS_SF220325.

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