

# NATIONAL MEDIA RELEASE

RELEASED: Wednesday 10 September 2008



## ASX Signs Agreement with RP Data & Rismark to Develop Residential Property Derivatives Market

RP Data Ltd (ASX:RPX "RP Data") and Rismark International today announced they have entered into an agreement with the Australian Securities Exchange (ASX) to seek to develop Australian residential property index derivatives by using the market leading RP Data-Rismark Hedonic Indices for measuring house price changes over time. It is proposed that these derivatives will be launched and traded on the ASX.

Christopher Joye, Rismark International's Managing Director, said "A residential property derivatives market has the potential to allow individuals and institutions to cost-effectively access index-linked exposures to the \$3.2 trillion residential property asset-class. Previously the high transaction costs associated with residential property investment have made accessing this asset-class on a diversified basis difficult."

Graham Mirabito, RP Data's Chief Executive Officer, said "The selection by the ASX of the RP Data-Rismark Hedonic Indices as the basis of the proposed property derivatives market vindicates the RP Data-Rismark Indices' position as the market leading measure of Australian house price changes over time."

"The RP Data-Rismark Hedonic Indices benefit from exclusive access to the most comprehensive property databases in Australia and New Zealand, which is owned by RD Data Limited (ASX:RPX)."

"As property derivatives markets have begun to boom all around the world, this agreement with the ASX was a complement to the achievements of the group since its inception in 1991.

"In the UK, the world's largest property derivatives market, there are currently over GBP7 billion worth of over-the-counter commercial and residential property derivatives outstanding.

"In Australia, the RP Data-Rismark Hedonic index technology is the first of its kind and was initially developed by the award-winning quantitative research group, Rismark International," Mr Mirabito said.

In an independent review of the RP Data-Rismark Hedonic Indices, the credit rating agency Moody's economics research group concluded, "**The suite of indexes calculated by RP Data-Rismark represents a significant improvement in the quality of housing price statistics available in Australia.**"

Moody's further commented, "**These data are more sophisticated, detailed and have better coverage than that used in the construction of existing housing price indexes in Australia. The high quality of the data makes it possible to implement not only median price and repeat sales indexes but also hedonic indexes, which up to this point had proved difficult to construct in Australia due to data constraints.**"

The RBA currently reports the RP Data-Rismark Hedonic Indices in its Statement on Monetary Policy.

A residential property derivatives market would be attractive to:

- Any investor who wants to buy or sell regional residential property
- Renters who are currently priced out of the market but want to hedge against future house price increases
- Developers looking to set benchmarks for pricing and returns

RP Data, which is Australia & NZ's largest property data business, pioneered property data collection through on-line services and spends annually over \$10 million collecting new property information. Today it has over 113 million property data records covering around 98 per cent of all homes. Over 70 per cent of Australian real estate agents subscribe to RP Data's property information services.

Ends.

For more information on the RP Data-Rismark Indices, please go to <http://www.rpdata.com/indices>

Media enquiries contact:

Mitch Koper  
National Communications Manager  
RP Data Limited  
0417 771 778  
[mitch.koper@rpdata.com](mailto:mitch.koper@rpdata.com)

Ben Skilbeck  
Executive Director  
Rismark International  
0403 138 172  
[Ben.skilbeck@rismark.com.au](mailto:Ben.skilbeck@rismark.com.au)

#### **RP Data**

Established in 1991, ASX-listed RP Data (ASX: RPX) is the largest supplier of commercial and residential property information services throughout Australia and New Zealand and is the first and only provider of hedonic based Property Indices and AVM's. Subscription clients to RP Data's property information service include over 8,500 real estate agents, valuers, property developers, financial institutions and government departments. RP Data is also the largest supplier of property reports to Australians with over 600,000 property reports issued each year. With an annual investment of more than \$10 million in databases, RP Data has more than 113 million property data records covering 12.5 million properties in Australia and New Zealand including ownership records; 21 million property attribute and features records; 17.6 million property sales records; 12 million property maps; 31 million property photos; and 17.2 million "on the market" property listing records. For more information visit [www.rpdata.com](http://www.rpdata.com).

#### **Rismark International**

Rismark is a global real estate investment business that specialises in quantitative research, funding, and securitisation. Rismark is a private company owned by management and a number of leading financial services companies. Rismark's management team has extensive experience in quantitative residential real estate research and is augmented by a Global Research Advisory Board comprising of eminent academics from Sydney University, Melbourne University, and Yale. For more information visit [www.rismark.com.au](http://www.rismark.com.au) or [www.efm.info](http://www.efm.info).