

## OCBC BANK INTRODUCES MALAYSIA'S FIRST *RINGGIT* LOAN FACILITY FOR RESIDENTIAL PROPERTIES DOWN UNDER

*OCBC Overseas Property Financing scheme set to meet heightened demand for Australian properties*

Kuala Lumpur, 14 November 2011 – OCBC Bank (Malaysia) Berhad (OCBC Bank) has become the first bank in Malaysia to offer customers a new mortgage loan facility to finance the purchase of residential properties in prime sections of Sydney and Melbourne, Australia.

According to Mr Charles Sik, Head of Consumer Financial Services, OCBC Bank, the introduction of the *OCBC Overseas Property Financing - Australia* facility follows from the success of a similar scheme for London properties launched six months ago. Like the earlier one, customers will be able to take advantage of the fact that this too is a *Ringgit*-based loan, hence mitigating the effects of fluctuating foreign exchange risks.

“Our goal for financing products has always been to offer as many bespoke loans as possible to our customers. With the introduction of this second *OCBC Overseas Property Financing - Australia* scheme – the first of its kind for the country – customers will now be able to invest in Sydney and Melbourne properties with peace of mind, knowing their loan facility is fixed in *Ringgit*, mitigating Forex risks. Australia property prices are certainly on the upward trend and we think it’s a really good time now to capitalise on this,” he said.



Mr Charles Sik, Head of Consumer Financial Services, OCBC Bank (Malaysia) Berhad.

According to OCBC Bank Currency Economist Mr Emmanuel Ng foreign exchange rate fluctuations are key to determining the purchase of an overseas property and the MYR is expected to remain supported against the AUD on a structural basis.

“The MYR sits comfortably within the Asian growth sphere and is also underpinned by net positive foreign capital inflows into the region, as well as a favourable balance of payments environment. Meanwhile the AUD remains supported on a mixture of positive terms of trade dynamics and a generalised environment of dollar weakness over the medium term. Structurally, we continue to expect the AUD to have a slight edge over the MYR,” he said.

According to Mr Sik research has shown that over the last 40 years, Australian property has enjoyed consistent growth. Doubling in value about every 7 to 10 years, property prices in Australia have an average annual growth rate of 7% per annum.

“With the leverage that property offers, this means a potential high return on investment. It really seems like this is the perfect time to invest in Australia’s property market. In fact, these are two of the top 10 most liveable cities in the world - Melbourne at number one and Sydney at number six according to The Economist Intelligence Unit.

“They are both well known for their vibrant multicultural communities, outstanding arts scene, irresistible food, fine weather and world-class infrastructure. This is certainly a sign that these cities are indeed popular markets for foreign investors,” he said.

The *OCBC Overseas Property Financing - Australia* facility offers a margin of financing of up to 75% and a loan tenure of up to 36 years for off plan properties and 40 years for completed properties, or up to the time the borrower turns 70, whichever is earlier.

For more information, the public may call 1300-88-5000 or log on to [www.ocbc.com.my](http://www.ocbc.com.my)

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## **About OCBC Bank**

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world’s most highly-rated banks, with an Aa1 rating from Moody’s. It is also ranked by Bloomberg Markets as the world's strongest bank.

OCBC Bank and its subsidiaries offer a broad array of specialist financial services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has a network of over 500 branches and representative offices in 15 countries and territories, including more than 400 branches and offices in Indonesia that are operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which has been ranked among the top three private banks in Singapore.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

For more information, please visit [www.ocbc.com.my](http://www.ocbc.com.my)