



MEDIA RELEASE

ENCOURAGEMENT FOR RETAIL CORPORATE BONDS

11 January 2013

Treasurer Wayne Swan has today released proposed amendments to the prospectus disclosure and director liability regimes under the Corporations Act that are designed to encourage greater issuance of corporate bonds to the retail sector by Australian companies.

AFMA's members play a prominent role in the corporate debt market as issuers, advisers and investment managers and wish to collaborate with government on the market's development.

There are significant regulatory changes occurring on a global basis that are driving evolution of the financial markets and influencing the raising of debt capital. It is important for the Australian debt market to provide a facilitative and receptive environment to accommodate the growing needs of companies and investors.

This in turn will increase the capacity of our financial system to meet the financing needs of business and broaden the range of investment opportunities for Australians to sensibly manage their growing savings.

AFMA welcomes the proposed changes to the fundraising regime as a step in making the Australian market more competitive and attractive to issuers. Promoting a deep and liquid domestic corporate bond market depends on a range of factors and the Government's proposals will advance this cause.

AFMA will review the technical detail of the proposals and prepare a response to the Exposure Draft legislation.

Contact details for further information:

David Lynch
Executive Director
+61 2 9776 7991
dlynch@afma.com.au

Notes for Editors:

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making.

Australian Financial Markets Association
Level 3 Plaza Building, 95 Pitt Street Sydney NSW 2000
Tel: +61 2 9776 7955 Fax: +61 2 9776 4488
Email: info@afma.com.au Web: www.afma.com.au