

# Do house prices matter?

Sustainable  
monthly cash  
income

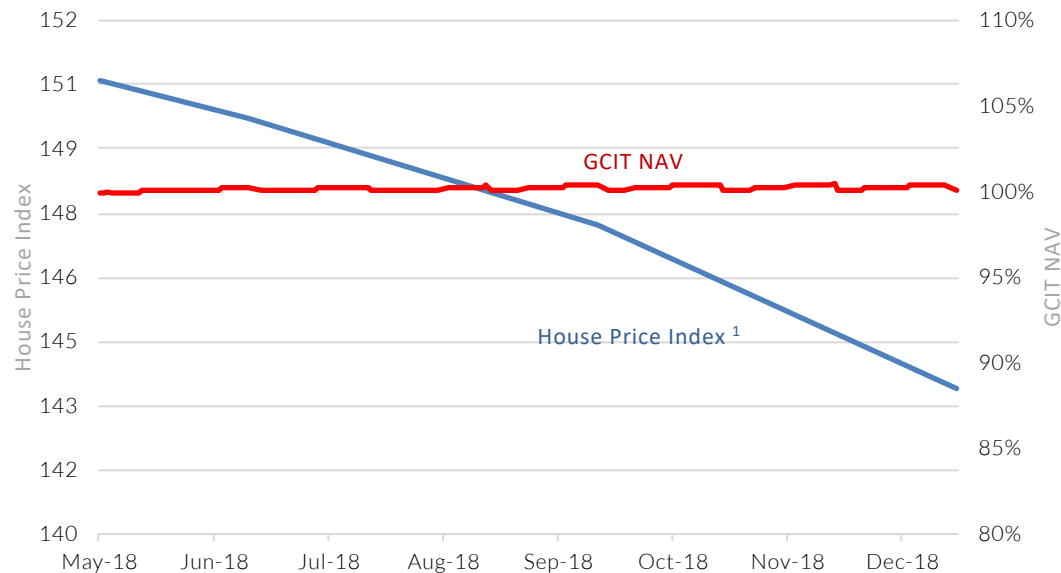


Highest risk  
adjusted return

Capital Preservation

House prices are important for the wealth effect, but have a second order impact on RMBS performance

## House Prices



1. House Price Index – Australian Bureau of Statistics

2. RBA Cash Rate (lagged by 6 months)

3. Mortgage Arrears 30+ days

## Unemployment

