

Inquiry into the Development of the Australian Corporate Bond Market

Public Hearing, Canberra, 6 November 2020

Appearance by The Association of Superannuation Funds Australia

Question asked by Committee Chair: Do funds hold corporate bonds in the non-financial sector offshore.

Response: As noted in the evidence provided, APRA reports the investments of APRA-regulated superannuation funds in offshore fixed-income securities at a high level.

According to the latest APRA statistics, fund investments in international fixed-income securities totalled \$153 billion as at the end of June 2020. This represents 8 per cent of total fund investments. There is no APRA data regarding the composition of offshore fixed-income investments (that is, no data on the amounts allocated to government bonds, corporate bonds etc.).

The Australian Bureau of Statistics also publishes data on the investments of superannuation funds in *Australian National Accounts: Finance and Wealth*. However, as is the case with the APRA data, this publication only provides aggregate figures for offshore investments in fixed-income securities.