ASX long-term AA- S&P rating with a stable outlook

ASX has obtained credit ratings from Standard & Poor’s (S&P), confirming the financial strength of the Group and its commitment to providing Australian investors with a world-class financial market infrastructure.

S&P assigned a long-term rating of AA- to both ASX Limited, the listed entity, and ASX Clear (Futures), the derivatives clearing house, and a short-term rating of A1+. The rating outlooks on the long-term ratings of both companies are stable.

ASX Clear (Futures) has been rated separately because of the critical financial market infrastructure it provides for Australian investors, clearing both exchange-traded derivatives and over-the-counter (OTC) interest rate derivatives. The Australian dollar interest rate market is one of the largest interest rate derivatives markets in the world, with both the exchange-traded futures market and the OTC swaps market ranking in the top five globally.

ASX sought an independent assessment of its credit rating to support its strategy to deliver a world-class and well capitalised financial infrastructure to Australian investors. The assessment by S&P follows the completion of a $553 million capital raising in July 2013. Most of the funds from the capital raising were allocated to ASX’s clearing houses. Following the capital raising ASX Clear (Futures) meets the highest global capital standards.

The credit rating satisfies the mandates of prospective customers of ASX’s OTC Derivatives Clearing Service, which might require the counterparties with which they deal to be formally rated. The first phase of the OTC clearing service was launched in 2013, with the full service being available by mid-2014.

Elmer Funke Kupper, ASX CEO and Managing Director, said: “ASX is determined to provide investors with a world-class and well capitalised financial infrastructure, where collateral and risk are managed under Australian law. This provides the highest form of protection to investors and gives Australia the best chance of having a financial market place that is globally relevant and competitive.”

Media inquiries:
Matthew Gibbs
General Manager, Media and Communications
Tel: +61 2 9227 0218
Mobile: 0411 121 219
matthew.gibbs@asx.com.au