

Good transaction figures for Q4

Europace has published good transaction figures for Q4 this morning. Total transaction volume in 2019 has increased by 18% yoy to EUR 68.0bn, mortgage finance volume was up by 19% yoy to EUR 53.6bn. In Q4 2019 mortgage finance volume was up by 18% yoy to EUR 14.0bn. Once again GENOPACE, the JV with the mutual bank, reported a particular strong performance with an increase by 201% yoy to EUR 1.5bn; FINMAS, the JV with the savings banks, reported an increase by 33% yoy to EUR 1.6bn. Interestingly GENOPACE has almost reached the transaction volume level of FINMAS in Q4 2019. All in all once again good figures, even if the growth rates have slowed down slightly qoq (mortgage finance volume 9M 2019: +20% yoy, Q3 2019: +26% yoy). Europace remains on its growth pace which bodes well for the Q4 revenue development. We stick to our Hold recommendation with a target price of EUR 320 as we see the shares fairly valued with a 2021e PER of 51x.

Q4 figures in more detail

The average daily transaction volume reached a new record level with EUR 287m in Q4. For the full year the average daily transaction volume increased by 17% yoy to EUR 272m. With an increase of the mortgage finance volume by 19% yoy to EUR 53.6bn for the mortgage finance volume, Europace managed once again to increase its market share as the market grew by “only” 9% yoy (Jan.-Nov. 2019 based upon Bundesbank figures).

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