Australian Bureau of Statistics

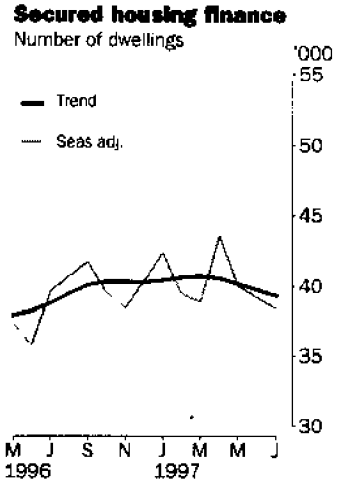
JULY 1997

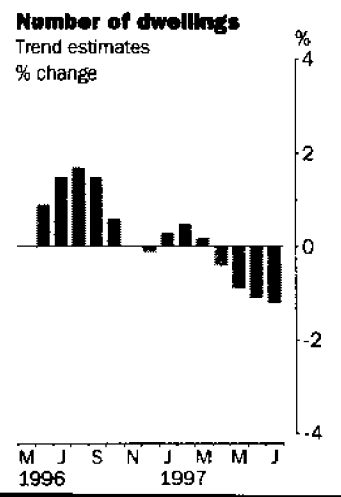
5609.0

HOUSING FINANCE FOR OWNER OCCUPATION

AUSTRALIA

EMBARGO: 11:30AM (CANBERRA TIME) TUES 9 SEPT 1997





JULY KEY FIGURES

TREND ESTIMATES

	Jul 97	% change Jun 97	% change Jul 96
Number of dwellings financed	39 264	–1.2	1.2
Construction of dwellings	5 866	0.3	16.7
Purchase of new dwellings	2 075	–0.6	30.4
Purchase of established dwellings	31 323	–1.5	–2.6

SEASONALLY ADJUSTED

	Jul 97	% change Jun 97	% change Jul 96
Number of dwellings financed	38 392	–2.0	–3.1
Construction of dwellings	5 918	4.8	15.4
Purchase of new dwellings	1 996	–1.7	26.6
Purchase of established dwellings	30 478	–3.3	–7.4

JULY KEY POINTS

TREND ESTIMATES

- The trend estimate for total dwellings financed in July 1997 fell by 1.2%, the fourth consecutive monthly decrease.
- Commitments for the purchase of established dwellings has decreased by 1.5% in July, the fourth monthly decrease. The number of commitments for established dwellings, excluding refinancing, and for refinancing commitments are both in decline.
- The trend estimate for commitments for the purchase of new dwellings fell slightly in July, the first decline since June 1996. Commitments for the construction of dwellings rose slightly, the thirteenth consecutive monthly increase.

SEASONALLY ADJUSTED ESTIMATES

- The number of dwellings financed during July was 38 392, 2.0% lower than in June, and the third consecutive monthly decrease.
- The number of commitments for established dwellings fell by 3.3% and the number of commitments refinanced fell by 9.1%.
- The number of commitments for the purchase of new dwellings decreased for the third consecutive month. The number of commitments for the construction of dwellings increased by 4.8% in July.

ORIGINAL ESTIMATES

- There were 41 661 dwellings financed in July, a decrease of 2.3% on July 1996.
- During July 1997, 80.9% of commitments were made by Banks, 3.7% by Permanent Building Societies and 15.4% by Other Lenders. For July 1996, the proportions were 83.9%, 4.5% and 11.6% respectively. Mortgage Managers accounted for 8.0% of commitments in July 1997, compared with 6.8% in July 1996.

INQUIRIES

- For further information about these and related statistics, contact Andrea McIntyre on 02 9268 4784, or any ABS Office.

NOTES

FORTHCOMING ISSUES

ISSUE	RELEASE DATE
August 1997	10 October 1997
September 1997	10 November 1997
October 1997	10 December 1997

CHANGES IN THIS ISSUE

There are no changes in this issue.

SENSITIVITY ANALYSIS

Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available. For further information, see Explanatory Notes 13 to 15.

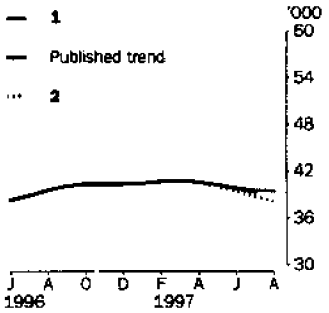
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The August seasonally adjusted estimate of number of dwellings financed is *higher* than the July seasonally adjusted estimate by 4%.

2 The August seasonally adjusted estimate of number of dwellings financed is *lower* than the July seasonally adjusted estimate by 4%.

The percentage change of 4% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 4%.

NUMBER OF DWELLINGS FINANCED

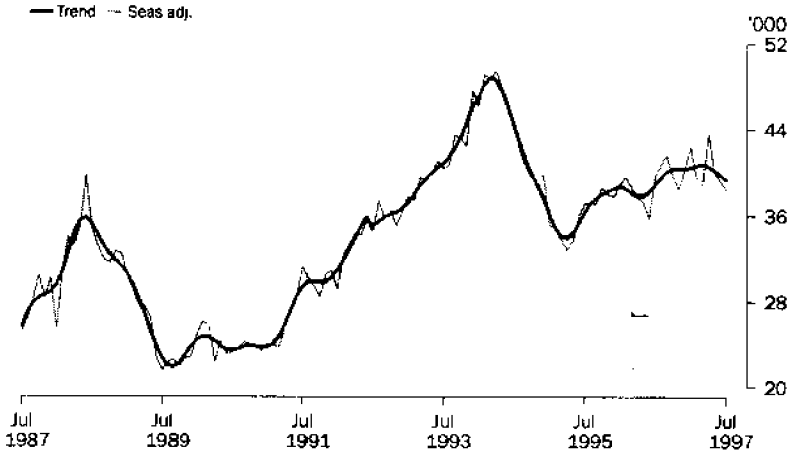


	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE: 1 rises by 4% on Jul 1997		2 falls by 4% on Jul 1997	
	estimate	*% change*	*estimate*	*% change*	*estimate*	*% change*
1997						
February	40 619	0.5	40 614	0.6	40 673	0.6
March	40 706	0.2	40 697	0.2	40 801	0.3
April	40 532	–0.4	40 531	–0.4	40 583	–0.5
May	40 181	–0.9	40 188	–0.8	40 051	–1.3
June	39 741	–1.1	39 840	–0.9	39 386	–1.7
July	39 264	–1.2	39 507	–0.8	38 650	–1.9
August (new)	—	—	39 362	–0.4	38 069	–1.5

W. McLennan
Australian Statistician

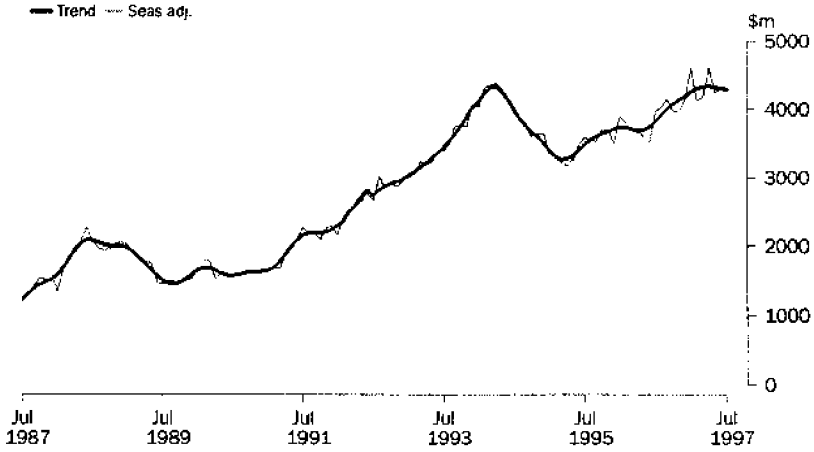
NUMBER OF DWELLINGS FINANCED

The trend estimate for the number of dwellings financed in July fell by 1.2%, the fourth consecutive monthly decrease. Commitments for the purchase of established dwellings fell 1.5%, the fourth consecutive decrease and commitments for the purchase of newly erected dwellings fell slightly in July, the first decline since June 1996. Seasonally adjusted, the number of dwellings financed decreased by 2.0%, with decreases recorded in commitments for the purchase of established dwellings and the purchase of new dwellings. The number of dwellings refinanced fell by 9.1%, following a rise of 9.6% in June.



VALUE OF COMMITMENTS

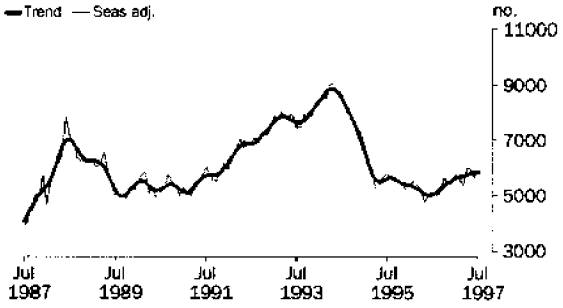
The trend estimate for the value of commitments in July was $4 289.7 million, the third month of decline. Seasonally adjusted, the value of commitments decreased slightly to $4 272.0 million. The average borrowing size was $110 700 in original terms.



NUMBER OF DWELLINGS FINANCED

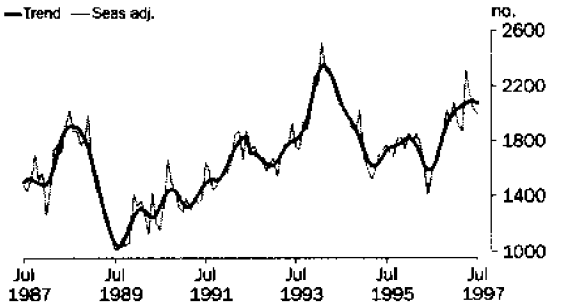
CONSTRUCTION OF DWELLINGS

The trend estimate for the construction of dwellings was 5 866, the thirteenth consecutive monthly rise and a slight increase on June. Seasonally adjusted, the number of dwellings financed was 5 918, a 4.8% increase on June.



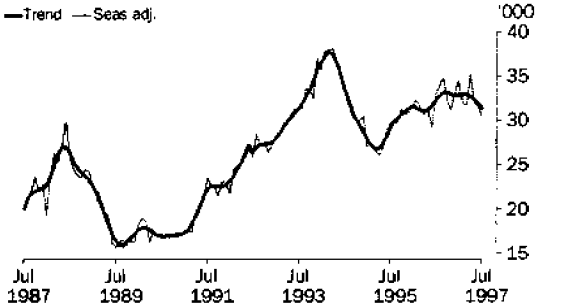
PURCHASE OF NEW DWELLINGS

The trend estimate for the number on new dwellings financed was 2 075, down 0.6% on June, the first monthly decrease since June 1996. Seasonally adjusted, finance was committed for 1 996 dwellings, down 1.7% on June and the third consecutive monthly decrease.



PURCHASE OF ESTABLISHED DWELLINGS

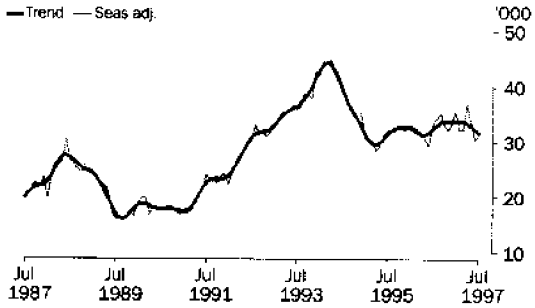
The trend estimate for the purchase of established dwellings has decreased by 1.5% in July. Commitments for established dwellings, excluding refinancing have decreased by 1.5% and refinancing commitments have decreased by 1.7%. Seasonally adjusted, finance was committed for 30 478 dwellings, a decrease of 3.3% on June. This was mainly due to a 9.1% fall in the level of refinancing during July.



NUMBER OF DWELLINGS FINANCED

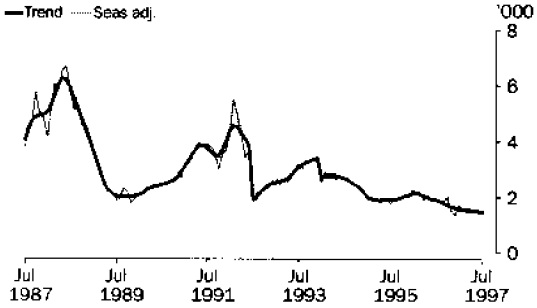
BANKS

The trend estimate for the number of dwellings financed has decreased for the fifth consecutive month, falling 2.2% in July. Seasonally adjusted, finance was committed for 30 912 dwellings, a 1.5% increase on June.



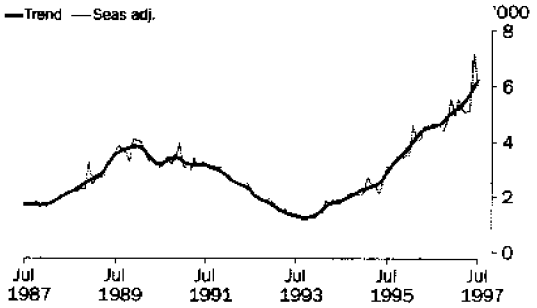
PERMANENT BUILDING SOCIETIES

The trend estimate for the number of dwellings financed has continued to fall, with the 2.2% decrease in July being the seventeenth consecutive month of decline. Seasonally adjusted, finance was committed for 1 474 dwellings, a 1.9% decrease on June. The graph below contains breaks in series when Permanent Building Societies converted to Banks, see Explanatory Note 6.



OTHER LENDERS

The trend estimate for the number of dwellings financed was 6 214, a 4.3% increase in July and the highest level recorded since the inception of the series. Seasonally adjusted, finance was committed for 6 006 dwellings, a decrease of 16.9% in July.



SECURED HOUSING FINANCE COMMITMENTS(a), By Purpose: **All series**

Month	Construction of dwellings no.	Construction of dwellings $m	Purchase of newly erected dwellings no.	Purchase of newly erected dwellings $m	Purchase of established dwellings(b) no.	Purchase of established dwellings(b) $m	Total no.	Total $m
				ORIGINAL				
1996								
May	5 466	529.4	1 695	194.2	33 783	3 332.4	**40 944**	**4 056.0**
June	4 934	479.2	1 368	155.1	29 218	2 886.0	**35 520**	**3 520.3**
July	5 546	543.4	1 697	204.9	35 393	3 477.8	**42 636**	**4 226.1**
August	5 192	512.2	1 769	197.7	33 743	3 344.7	**40 704**	**4 054.6**
September	5 115	495.1	1 829	207.7	33 969	3 341.4	**40 913**	**4 044.2**
October	5 773	561.4	1 923	212.3	33 342	3 324.5	**41 038**	**4 098.2**
November	5 265	512.4	1 986	226.5	31 482	3 241.7	**38 733**	**3 980.5**
December	4 841	477.9	1 753	190.5	30 287	3 185.6	**36 881**	**3 854.0**
1997								
January	4 800	473.7	1 747	203.6	29 321	3 081.0	**35 868**	**3 758.3**
February	5 509	570.0	1 860	214.4	31 403	3 246.0	**38 772**	**4 030.5**
March	5 375	565.4	2 027	225.2	32 319	3 440.9	**39 721**	**4 231.5**
April	6 311	658.7	2 212	259.1	35 786	3 828.9	**44 309**	**4 746.7**
May	6 382	672.6	2 145	259.6	33 468	3 660.2	**41 995**	**4 592.4**
June	5 754	605.4	2 104	252.4	32 008	3 503.6	**39 866**	**4 361.5**
July	6 393	692.9	2 128	255.1	33 140	3 665.0	**41 661**	**4 612.9**
				SEASONALLY ADJUSTED				
1996								
May	4 758	450.8	1 636	181.0	30 869	2 954.2	**37 263**	**3 586.1**
June	5 019	496.2	1 409	157.5	29 284	2 848.0	**35 712**	**3 501.7**
July	5 127	500.9	1 576	191.1	32 920	3 268.4	**39 623**	**3 960.4**
August	5 016	480.4	1 657	187.5	33 971	3 352.7	**40 644**	**4 020.5**
September	5 071	495.3	1 745	203.4	34 886	3 461.3	**41 702**	**4 160.0**
October	5 660	560.1	1 846	202.9	32 100	3 205.8	**39 606**	**3 968.9**
November	5 411	511.0	2 027	227.8	31 016	3 219.3	**38 454**	**3 958.1**
December	5 429	535.0	1 943	206.7	33 001	3 425.4	**40 373**	**4 167.1**
1997								
January	5 752	578.0	2 086	242.1	34 565	3 792.0	**42 403**	**4 612.1**
February	5 691	602.2	1 926	220.7	31 854	3 306.0	**39 471**	**4 128.9**
March	5 361	559.3	1 869	214.7	31 626	3 405.2	**38 856**	**4 179.2**
April	6 014	646.2	2 327	274.1	35 263	3 698.5	**43 604**	**4 618.8**
May	5 961	605.5	2 132	249.9	31 907	3 393.8	**40 000**	**4 249.2**
June	5 647	601.8	2 030	244.2	31 511	3 442.2	**39 188**	**4 288.3**
July	5 918	637.1	1 996	239.2	30 478	3 395.7	**38 392**	**4 272.0**
				TREND ESTIMATES				
1996								
May	5 072	494.9	1 634	182.7	31 135	3 022.8	**37 842**	**3 700.5**
June	5 018	489.5	1 590	181.7	31 592	3 078.6	**38 200**	**3 749.9**
July	5 025	489.1	1 592	183.7	32 163	3 149.3	**38 779**	**3 822.1**
August	5 102	494.9	1 648	189.6	32 707	3 230.2	**39 457**	**3 914.7**
September	5 230	506.3	1 745	198.5	33 074	3 303.4	**40 049**	**4 008.1**
October	5 357	519.7	1 845	207.3	33 102	3 355.7	**40 304**	**4 082.7**
November	5 457	534.2	1 921	214.5	32 931	3 393.8	**40 309**	**4 142.5**
December	5 536	550.1	1 971	220.1	32 776	3 427.0	**40 283**	**4 197.2**
1997								
January	5 605	567.0	2 006	225.8	32 789	3 463.1	**40 400**	**4 256.0**
February	5 660	582.1	2 033	232.1	32 926	3 495.5	**40 619**	**4 309.7**
March	5 709	594.9	2 055	237.9	32 942	3 505.8	**40 706**	**4 338.6**
April	5 764	605.9	2 074	242.9	32 694	3 491.5	**40 532**	**4 340.2**
May	5 812	614.2	2 085	246.5	32 284	3 469.2	**40 181**	**4 329.9**
June	5 849	620.7	2 087	248.8	31 806	3 445.6	**39 741**	**4 315.1**
July	5 866	624.5	2 075	248.3	31 323	3 416.9	**39 264**	**4 289.7**

(a) Excludes alterations and additions. (b) Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS(a), By Type of Lender: **All series**

Month	All banks no.	All banks $m	Permanent building societies no.	Permanent building societies $m	Other lenders no.	Other lenders $m	Total no.	Total $m
				ORIGINAL				
1996								
May	33 534	3 300.0	2 384	225.0	5 026	531.0	**40 944**	**4 056.0**
June	29 528	2 888.8	1 871	194.2	4 121	437.3	**35 520**	**3 520.3**
July	35 767	3 525.4	1 925	193.7	4 944	507.0	**42 636**	**4 226.1**
August	34 225	3 390.3	1 826	179.0	4 653	485.2	**40 704**	**4 054.6**
September	34 615	3 412.3	1 785	171.6	4 513	460.3	**40 913**	**4 044.2**
October	34 062	3 383.5	2 167	225.6	4 809	489.1	**41 038**	**4 098.2**
November	31 953	3 241.9	1 551	169.7	5 229	568.9	**38 733**	**3 980.5**
December	30 541	3 173.5	1 309	134.2	5 031	546.3	**36 881**	**3 854.0**
1997								
January	30 108	3 168.5	1 388	133.5	4 372	456.4	**35 868**	**3 758.3**
February	31 958	3 311.5	1 660	168.3	5 154	550.7	**38 772**	**4 030.5**
March	33 336	3 559.1	1 429	152.5	4 956	519.8	**39 721**	**4 231.5**
April	37 608	4 040.2	1 521	163.2	5 180	543.3	**44 309**	**4 746.7**
May	34 907	3 818.6	1 660	177.7	5 428	596.1	**41 995**	**4 592.4**
June	31 640	3 461.3	1 484	160.8	6 742	739.4	**39 866**	**4 361.5**
July	33 692	3 727.3	1 538	166.3	6 431	719.3	**41 661**	**4 612.9**
				SEASONALLY ADJUSTED				
1996								
May	30 625	2 924.5	2 077	194.2	4 561	467.4	**37 263**	**3 586.1**
June	29 276	2 810.1	1 909	201.0	4 527	490.6	**35 712**	**3 501.7**
July	33 089	3 281.7	1 904	188.5	4 630	490.2	**39 623**	**3 960.4**
August	34 233	3 363.8	1 795	177.3	4 616	479.4	**40 644**	**4 020.5**
September	35 322	3 508.5	1 845	177.2	4 535	474.3	**41 702**	**4 160.0**
October	33 177	3 310.3	2 044	213.7	4 385	444.8	**39 606**	**3 968.9**
November	32 200	3 263.9	1 502	169.1	4 752	525.1	**38 454**	**3 958.1**
December	33 450	3 423.1	1 349	141.6	5 574	602.4	**40 373**	**4 167.1**
1997								
January	35 742	3 907.2	1 740	160.1	4 921	544.7	**42 403**	**4 612.1**
February	32 256	3 396.5	1 626	166.4	5 589	565.9	**39 471**	**4 128.9**
March	32 171	3 483.2	1 542	161.5	5 143	534.6	**38 856**	**4 179.2**
April	37 062	3 950.0	1 488	158.0	5 054	510.7	**43 604**	**4 618.8**
May	33 414	3 546.3	1 493	158.9	5 093	544.0	**40 000**	**4 249.2**
June	30 457	3 309.0	1 503	163.9	7 228	815.4	**39 188**	**4 288.3**
July	30 912	3 428.0	1 474	156.8	6 006	687.2	**38 392**	**4 272.0**
				TREND ESTIMATES				
1996								
May	31 389	3 039.6	2 002	201.6	4 451	459.3	**37 842**	**3 700.5**
June	31 751	3 084.1	1 952	196.9	4 497	468.8	**38 200**	**3 749.9**
July	32 348	3 155.7	1 912	192.7	4 519	473.7	**38 779**	**3 822.1**
August	33 041	3 247.6	1 868	188.4	4 548	478.7	**39 457**	**3 914.7**
September	33 624	3 336.8	1 810	183.6	4 614	487.7	**40 049**	**4 008.1**
October	33 838	3 402.1	1 743	178.2	4 723	502.4	**40 304**	**4 082.7**
November	33 749	3 448.7	1 676	172.1	4 883	521.7	**40 309**	**4 142.5**
December	33 646	3 496.3	1 621	166.0	5 017	534.8	**40 283**	**4 197.2**
1997								
January	33 708	3 553.6	1 578	161.3	5 114	541.0	**40 400**	**4 256.0**
February	33 859	3 604.4	1 554	158.9	5 206	546.3	**40 619**	**4 309.7**
March	33 842	3 621.8	1 543	158.9	5 322	557.9	**40 706**	**4 338.6**
April	33 511	3 599.2	1 533	160.3	5 488	580.8	**40 532**	**4 340.2**
May	32 955	3 553.8	1 512	160.7	5 714	615.4	**40 181**	**4 329.9**
June	32 295	3 500.3	1 491	160.5	5 956	654.2	**39 741**	**4 315.1**
July	31 591	3 435.8	1 458	159.2	6 214	694.7	**39 264**	**4 289.7**

(a) Excludes alterations and additions. Includes refinancing.

SECURED HOUSING FINANCE COMMITMENTS(a), By State: **All Series**

TOTAL NUMBER OF DWELLINGS

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
	no.	no.	no.	no.	no.	no.	no.	no.	no.
				ORIGINAL					
1996									
May	13 340	10 051	6 517	3 276	5 733	942	284	801	**40 944**
June	12 261	8 382	5 553	2 707	4 827	841	242	707	**35 520**
July	14 719	10 015	6 946	3 013	5 593	1 032	317	1 001	**42 636**
August	13 526	9 845	7 212	2 776	5 031	1 163	302	849	**40 704**
September	13 402	10 153	7 306	3 064	4 755	1 067	309	857	**40 913**
October	12 969	9 947	7 366	2 965	5 560	1 117	317	797	**41 038**
November	12 847	8 743	7 156	3 115	4 843	909	370	750	**38 733**
December	11 815	8 557	6 525	2 995	5 044	787	374	784	**36 881**
1997									
January	11 717	7 816	6 360	2 885	5 280	742	319	749	**35 868**
February	12 489	8 759	7 308	3 013	5 350	778	322	753	**38 772**
March	13 640	8 634	7 139	3 117	5 256	814	360	761	**39 721**
April	14 806	10 637	7 274	3 318	6 122	933	400	819	**44 309**
May	14 265	10 302	6 796	3 228	5 380	943	371	710	**41 995**
June	13 233	10 080	6 574	3 172	5 063	756	327	661	**39 866**
July	13 826	10 198	7 307	3 004	5 496	786	331	713	**41 661**
				SEASONALLY ADJUSTED(b)					
1996									
May	11 794	8 938	6 291	3 095	5 130	825	277	712	**37 263**
June	12 454	8 276	5 482	2 571	4 535	830	265	684	**35 712**
July	13 579	9 257	6 727	2 968	5 213	1 012	306	1 029	**39 623**
August	13 476	9 694	7 022	2 792	4 888	1 175	300	830	**40 644**
September	13 565	10 353	7 426	3 105	5 008	1 098	301	901	**41 702**
October	13 002	9 417	7 233	2 980	5 464	1 155	313	793	**39 606**
November	12 642	8 892	7 120	3 173	4 858	924	359	745	**38 454**
December	13 201	9 083	6 895	3 042	5 939	845	388	874	**40 373**
1997									
January	14 711	9 300	7 352	3 157	5 953	810	387	933	**42 403**
February	12 522	9 003	7 064	3 089	5 390	793	291	755	**39 471**
March	13 325	9 107	6 919	3 114	5 466	799	364	753	**38 856**
April	14 017	9 956	7 704	3 244	5 822	881	388	729	**43 604**
May	13 223	9 831	6 686	3 219	4 995	873	384	633	**40 000**
June	13 018	9 752	6 467	2 951	4 776	718	342	656	**39 188**
July	12 618	9 510	7 046	2 901	5 047	767	333	678	**38 392**
				TREND ESTIMATES(b)					
1996									
May	12 132	9 237	6 258	3 106	5 058	857	300	790	**37 842**
June	12 591	9 203	6 336	2 983	4 976	872	290	811	**38 200**
July	12 962	9 279	6 536	2 903	4 936	1 069	287	832	**38 779**
August	13 215	9 411	6 808	2 895	4 975	1 088	296	847	**39 457**
September	13 329	9 507	7 054	2 944	5 088	1 081	313	854	**40 049**
October	13 328	9 483	7 189	3 016	5 242	1 040	331	852	**40 304**
November	13 299	9 349	7 219	3 076	5 414	972	346	845	**40 309**
December	13 314	9 188	7 198	3 109	5 564	900	355	834	**40 283**
1997									
January	13 396	9 125	7 161	3 132	5 650	846	361	819	**40 400**
February	13 476	9 213	7 138	3 149	5 643	819	363	796	**40 619**
March	13 476	9 389	7 103	3 150	5 536	815	362	760	**40 706**
April	13 384	9 549	7 042	3 133	5 380	815	361	720	**40 532**
May	13 242	9 661	6 962	3 100	5 213	809	359	685	**40 181**
June	13 083	9 733	6 885	3 058	5 051	797	356	657	**39 741**
July	12 896	9 771	6 802	3 005	4 933	784	353	638	**39 264**

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 9 to 12.

SECURED HOUSING FINANCE COMMITMENTS(a), By State: **All Series**

TOTAL VALUE OF COMMITMENTS

Month	New South Wales $m	Victoria $m	Queensland $m	South Australia $m	Western Australia $m	Tasmania $m	Northern Territory $m	Australian Capital Territory $m	Australia $m
				ORIGINAL					
1996									
May	1 572.6	911.2	619.6	252.0	529.5	64.7	28.6	77.8	**4 056.0**
June	1 417.1	753.0	543.2	213.6	440.9	58.3	24.6	69.7	**3 520.3**
July	1 701.6	899.9	664.5	237.8	521.2	66.1	32.8	102.3	**4 226.1**
August	1 599.4	874.1	683.3	216.9	484.1	77.2	35.1	84.4	**4 054.6**
September	1 573.9	899.6	686.1	250.6	443.6	68.8	34.6	87.1	**4 044.2**
October	1 567.9	903.3	700.6	233.6	504.8	75.9	35.1	77.0	**4 098.2**
November	1 615.0	798.3	679.3	248.1	461.6	60.7	37.2	80.3	**3 980.5**
December	1 491.0	809.6	631.0	251.5	490.2	54.4	42.4	83.9	**3 854.0**
1997									
January	1 494.5	740.7	627.5	231.3	503.9	49.5	33.2	77.7	**3 758.3**
February	1 555.1	818.1	723.3	246.6	522.7	56.1	32.0	76.5	**4 030.5**
March	1 743.3	838.6	718.8	251.4	506.2	59.2	34.2	79.7	**4 231.5**
April	1 932.3	1 030.9	721.1	270.4	602.8	64.0	40.8	84.4	**4 746.7**
May	1 941.1	1 018.4	672.6	264.5	518.9	63.6	37.6	75.7	**4 592.4**
June	1 764.0	1 020.7	674.1	253.3	488.6	54.6	35.6	70.7	**4 361.5**
July	1 876.2	1 037.7	746.7	243.4	538.8	57.7	36.4	76.0	**4 612.9**
				SEASONALLY ADJUSTED(b)					
1996									
May	1 352.2	812.0	597.8	237.8	461.8	55.6	24.9	65.6	**3 586.1**
June	1 438.5	766.9	533.5	201.2	435.5	61.0	27.4	68.0	**3 501.7**
July	1 550.9	821.7	646.2	233.1	486.7	64.7	32.5	101.4	**3 960.4**
August	1 609.8	868.5	660.0	220.2	451.6	79.6	32.4	84.4	**4 020.5**
September	1 601.2	906.3	688.0	255.2	461.9	70.4	36.2	90.5	**4 160.0**
October	1 559.2	857.0	694.4	240.2	492.3	80.8	34.3	73.7	**3 968.9**
November	1 592.6	814.8	669.6	255.3	464.0	61.5	33.7	84.3	**3 958.1**
December	1 675.8	823.5	672.9	265.8	588.6	57.6	48.8	90.5	**4 167.1**
1997									
January	1 943.4	867.8	735.3	249.0	566.0	51.6	38.3	96.2	**4 612.1**
February	1 592.5	853.7	697.1	254.2	527.3	56.9	29.5	78.1	**4 128.9**
March	1 679.1	922.3	690.6	247.2	532.2	57.9	33.4	82.9	**4 179.2**
April	1 802.0	961.3	758.1	253.9	576.5	59.4	43.1	75.7	**4 618.8**
May	1 773.5	967.3	650.5	263.4	469.4	58.1	35.8	66.4	**4 249.2**
June	1 729.0	988.0	662.0	232.1	478.4	55.3	39.7	68.1	**4 288.3**
July	1 708.2	951.5	720.9	234.7	492.8	57.1	36.2	70.3	**4 272.0**
				TREND ESTIMATES(b)					
1996									
May	1 402.7	825.3	606.4	236.2	463.0	60.9	30.3	77.8	**3 700.5**
June	1 455.6	824.9	610.3	229.7	457.7	64.0	29.8	79.6	**3 749.9**
July	1 503.7	832.0	623.4	227.6	455.8	68.0	30.3	81.8	**3 822.1**
August	1 549.1	843.3	644.0	230.9	460.6	71.2	32.1	84.0	**3 914.7**
September	1 590.7	851.1	665.5	238.4	473.0	72.0	34.6	85.7	**4 008.1**
October	1 626.4	851.5	681.8	246.7	490.9	70.0	36.7	86.7	**4 082.7**
November	1 657.0	847.4	692.3	252.7	512.4	65.8	37.8	87.0	**4 142.5**
December	1 685.5	846.4	698.8	255.4	533.1	61.1	37.9	86.8	**4 197.2**
1997									
January	1 713.2	856.8	702.4	256.0	547.0	57.6	37.6	86.1	**4 256.0**
February	1 733.8	881.0	704.6	255.2	549.3	56.1	37.2	84.0	**4 309.7**
March	1 742.4	911.6	703.6	253.2	539.7	56.3	36.9	80.2	**4 338.6**
April	1 741.8	939.0	699.9	250.5	524.5	57.1	36.9	75.7	**4 340.2**
May	1 739.8	959.5	695.1	247.3	508.6	57.5	37.2	71.8	**4 329.9**
June	1 737.0	974.1	691.3	243.7	493.5	57.5	37.5	68.8	**4 315.1**
July	1 727.5	982.4	687.0	240.8	483.6	57.5	38.3	66.5	**4 289.7**

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 9 to 12.

5

SECURED HOUSING FINANCE COMMITMENTS(a), By Type of Borrower & Loan: **Original**

TYPE OF BORROWER

	FIRST HOME BUYERS				OTHER			
	Number of dwellings financed	*Number as per cent of total*	*Value of commitments*	*Average borrowing size*	*Number of dwellings financed*	*Number as per cent of total*	*Value of commitments*	*Average borrowing size*
Month	no.	%	$m	$'000	no.	%	$m	$'000
1996								
May	8 803	21.5	839.2	95.3	32 141	78.5	3 216.8	100.1
June	7 677	21.6	726.4	94.6	27 843	78.4	2 793.9	100.3
July	9 067	21.3	867.5	95.7	33 569	78.7	3 358.6	100.1
August	8 989	22.1	863.9	96.1	31 715	77.9	3 190.7	100.6
September	9 345	22.8	873.0	93.4	31 568	77.2	3 171.2	100.5
October	9 803	23.9	929.1	94.8	31 235	76.1	3 169.2	101.5
November	9 181	23.7	896.7	97.7	29 552	76.3	3 083.9	104.4
December	8 427	22.8	836.0	99.2	28 454	77.2	3 018.0	106.1
1997								
January	7 876	22.0	766.6	97.3	27 992	78.0	2 991.7	106.9
February	8 775	22.6	864.1	98.5	29 997	77.4	3 166.4	105.6
March	8 799	22.2	891.5	101.3	30 922	77.8	3 340.0	108.0
April	9 438	21.3	963.0	102.0	34 871	78.7	3 783.6	108.5
May	10 188	24.3	1 070.8	105.1	31 807	75.7	3 521.5	110.7
June	8 157	20.5	853.3	104.6	31 709	79.5	3 508.2	110.6
July	8 346	20.0	868.1	104.0	33 315	80.0	3 744.8	112.4

TYPE OF LOAN

	FIXED RATE				OTHER			
	Number of dwellings financed	*Number as per cent of total*	*Value of commitments*	*Average borrowing size*	*Number of dwellings financed*	*Number as per cent of total*	*Value of commitments*	*Average borrowing size*
Month	no.	%	$m	$'000	no.	%	$m	$'000
1996								
May	7 363	18.0	766.2	104.1	33 581	82.0	3 289.8	98.0
June	5 414	15.2	551.8	101.9	30 106	84.8	2 968.6	98.6
July	4 918	11.5	519.2	105.6	37 718	88.5	3 706.9	98.3
August	3 997	9.8	400.1	100.1	36 707	90.2	3 654.5	99.6
September	5 245	12.8	533.6	101.7	35 668	87.2	3 510.7	98.4
October	5 398	13.2	553.1	102.5	35 640	86.8	3 545.1	99.5
November	4 309	11.1	424.7	98.6	34 424	88.9	3 555.8	103.3
December	5 053	13.7	511.9	101.3	31 828	86.3	3 342.1	105.0
1997								
January	4 460	12.4	445.0	99.8	31 408	87.6	3 313.3	105.5
February	4 391	11.3	434.4	98.9	34 381	88.7	3 596.1	104.6
March	4 871	12.3	499.9	102.6	34 850	87.7	3 731.6	107.1
April	6 003	13.5	639.0	106.4	38 306	86.5	4 107.7	107.2
May	4 604	11.0	474.3	103.0	37 391	89.0	4 118.1	110.1
June	3 291	8.3	328.0	99.7	36 575	91.7	4 033.4	110.3
July	3 461	8.3	349.0	100.8	38 200	91.7	4 263.9	111.6

(a) Excludes alterations and additions. Includes refinancing.

6 SECURED HOUSING FINANCE COMMITMENTS, Summary Table: **Original**

Month	*Total new housing commitments(a)* $m	*Refinancing* $m	*Alterations and additions* $m	***Total*** $m	*Commitments advanced during month* $m	*Cancellations of commitments during month* $m	*Commitments not advanced at end of month* $m
1996							
May	3 246.3	809.7	316.2	**4 372.2**	3 983.3	255.7	6 681.3
June	2 763.8	756.5	297.0	**3 817.3**	3 521.0	217.7	6 754.7
July	3 186.0	1 040.1	336.4	**4 562.5**	4 484.7	267.7	6 564.3
August	2 967.0	1 087.5	304.4	**4 358.9**	3 891.9	245.6	6 786.5
September	2 965.1	1 079.2	267.5	**4 311.7**	3 873.2	222.3	6 999.0
October	3 265.7	832.5	272.9	**4 371.2**	3 982.6	307.0	7 076.2
November	3 260.9	719.6	229.7	**4 210.3**	3 541.6	342.8	7 390.4
December	3 142.9	711.2	212.9	**4 066.9**	3 828.0	371.0	7 251.8
1997							
January	3 012.6	745.7	219.1	**3 977.4**	3 363.7	566.9	7 300.7
February	3 252.9	777.6	233.3	**4 263.8**	3 307.8	502.4	7 773.6
March	3 382.6	848.9	241.7	**4 473.2**	3 622.2	462.2	8 166.1
April	3 754.9	991.8	263.7	**5 010.4**	4 103.0	448.4	8 613.9
May	3 776.4	816.0	233.9	**4 826.2**	4 199.5	459.9	8 635.0
June	3 480.6	880.9	223.3	**4 584.8**	4 132.3	449.7	8 619.0
July	3 752.5	860.4	218.4	**4 831.3**	4 313.2	456.8	8 664.6

(a) Excluding refinancing.

IMPACT ON HOUSING FINANCE ESTIMATES

The ABS began collecting separate information on the level of refinancing in July 1991. Up until that time refinancing was included with statistics of finance for established dwellings. Growth in refinancing in recent years has led to requests for trend estimates of total commitments for housing finance excluding commitments for refinancing.

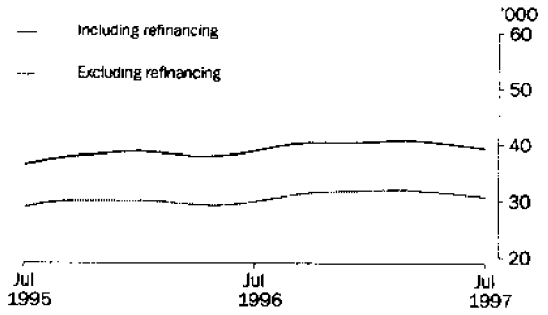
Preliminary seasonally adjusted and trend estimates for dwellings refinanced are now available from July 1991 based on the actual recorded level of refinancing. These should be used with caution as there is still an insufficient number of observations to produce estimates as reliable as others in this publication.

The table below compares the seasonally adjusted and trend estimates, and trend growth rates in housing finance, both inclusive and exclusive of refinancing, for the most recent fifteen month period. The graph opposite illustrates this comparison on an extended time frame.

TOTAL DWELLINGS FINANCED–Including & Excluding Refinancing

	ORIGINAL	SEASONALLY ADJUSTED			TREND				
	Dwellings refinanced	*Total dwellings financed*	*Dwellings under new finance excluding dwellings refinanced*	*Dwellings refinanced*	*Total dwellings financed*	*Dwellings under new finance excluding dwellings refinanced*	*Dwellings refinanced*	*Month to month change in total dwellings financed*	*Month to month change in dwellings under new finance*
Month	no.	no.	no.	no.	no.	no.	no.	%	%
1996									
May	8 977	37 263	28 855	8 408	37 842	29 149	8 693	0.0	–0.2
June	8 563	35 712	27 315	8 397	38 200	29 360	8 841	0.9	0.7
July	11 620	39 623	29 238	10 385	38 779	29 802	8 977	1.5	1.5
August	11 970	40 644	29 417	11 227	39 457	30 393	9 064	1.7	2.0
September	11 921	41 702	29 858	11 844	40 049	30 980	9 069	1.5	1.9
October	9 269	39 606	30 630	8 976	40 304	31 377	8 926	0.6	1.3
November	7 712	38 454	30 758	7 696	40 309	31 548	8 760	0.0	0.5
December	7 496	40 373	31 804	8 569	40 283	31 630	8 653	–0.1	0.3
1997									
January	7 580	42 403	32 845	9 558	40 400	31 734	8 666	0.3	0.3
February	8 031	39 471	30 934	8 537	40 619	31 854	8 766	0.5	0.4
March	8 803	38 856	31 093	7 763	40 706	31 856	8 850	0.2	0.0
April	10 214	43 604	33 125	10 479	40 532	31 687	8 845	–0.4	–0.5
May	8 384	40 000	31 885	8 115	40 181	31 418	8 763	–0.9	–0.8
June	8 847	39 188	30 298	8 890	39 741	31 100	8 641	–1.1	–1.0
July	8 930	38 392	30 313	8 079	39 264	30 769	8 495	–1.2	–1.1

HOUSING FINANCE, INCLUDING & EXCLUDING REFINANCING: TREND



The table below shows the contribution of refinancing to percentage monthly movements in trend estimates of housing finance for the most recent fifteen month period.

TOTAL DWELLINGS FINANCED–Contribution of Components to Monthly Growth: **Trend**

		COMPONENT OF TOTAL MOVEMENT ATTRIBUTABLE TO	
	Month to month change in total dwellings financed including those refinanced	*Dwellings under new finance excluding dwellings refinanced*	*Dwellings refinanced*
Month	%	% points	% points
1996			
May	0.0	–0.2	0.2
June	0.9	0.6	0.4
July	1.5	1.2	0.4
August	1.7	1.5	0.2
September	1.5	1.5	0.0
October	0.6	1.0	–0.4
November	0.0	0.4	–0.4
December	–0.1	0.2	–0.3
1997			
January	0.3	0.3	0.0
February	0.5	0.3	0.2
March	0.2	0.0	0.2
April	–0.4	–0.4	0.0
May	–0.9	–0.7	–0.2
June	–1.1	–0.8	–0.3
July	–1.2	–0.8	–0.4

OTHER LENDERS—MORTGAGE MANAGERS

Commitments made by mortgage managers for secured housing finance for owner occupation are included in the 'other lenders' and 'total lenders' categories in this publication. The table below shows the level of lending commitments by mortgage managers to individuals for construction and purchase of dwellings. Data for the more significant mortgage managers is available from July 1995 and has been included for earlier months elsewhere in this publication under 'other lenders', but not shown separately. The data in the following table are on an original basis; seasonally adjusted data will not be available for some years as a large number of observations are needed to produce reliable seasonal factors.

Care should be exercised in the interpretation of these statistics as:

- only those mortgage managers identified as significant lenders are included;
- only those commitments funded by securitisers are included. Commitments made by mortgage managers acting as agents or brokers for other financial institutions are excluded from this table. Such commitments are reported by those lending institutions providing the finance and are included in the lender type category relating to those institutions; and
- commitments made by mortgage managers for investment housing are excluded. The value of those commitments is included in the 'other lenders' and 'total lenders' categories of the ABS's Commercial Finance standard data service (5643.0.40.002).

SECURED HOUSING FINANCE COMMITMENTS BY MORTGAGE MANAGERS

	Total dwelling commitments(a)		*Refinancing*		*Total new dwelling commitments(b)*	
Month	no.	$m	no.	$m	no.	$m
1996						
May	2 922	365.4	1 358	161.6	1 564	203.9
June	2 379	293.3	1 255	148.6	1 124	144.7
July	2 893	352.9	1 429	166.1	1 464	186.8
August	2 545	320.2	1 273	154.3	1 272	165.9
September	2 210	275.7	1 030	122.6	1 180	153.1
October	2 258	289.1	910	112.0	1 348	177.1
November	3 055	393.9	1 378	169.8	1 677	224.1
December	2 121	284.1	775	99.6	1 346	184.4
1997						
January	1 998	264.6	822	104.2	1 176	160.4
February	2 611	345.0	1 062	135.4	1 549	209.6
March	2 228	300.2	924	117.4	1 304	182.9
April	2 283	307.6	833	107.1	1 450	200.5
May	2 256	322.1	778	107.5	1 478	214.6
June	3 647	486.5	1 584	206.5	2 063	280.0
July	3 321	447.9	1 192	152.6	2 129	295.4

(a) Excludes alterations and additions. Includes refinancing.

(b) Excludes alterations and additions, and refinancing.

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents statistics of secured housing finance commitments made by significant lenders to individuals. The commitments are for the construction or purchase of owner–occupied dwellings.

SCOPE

2 The scope of the survey comprises the following types of lenders:

- Banks
- Permanent building societies
- Credit unions/co-operative credit societies
- Life or general insurance companies
- General government enterprises
- Superannuation funds
- Organisations raising funds through the secondary mortgage market for approved home buyers under State government housing schemes
- Other financial corporations registered under the Financial Corporations Act 1974
- Other providers of consumer finance registered with State credit tribunals, including mortgage managers.

COVERAGE

3 The statistics cover significant lenders only. Significant lenders are the largest lenders to individuals for the construction and purchase of owner–occupied dwellings. They account in aggregate for at least 95% of the Australian total and at least 90% of each State total of finance commitments for housing.

4 An annual collection is conducted to maintain coverage of significant lenders. In addition, new lenders are included in the series as their level of lending for owner–occupied housing becomes significant.

5 All banks and permanent building societies qualify as significant lenders and are therefore covered by these statistics. The category 'other lenders' includes a large number of small lenders that do not qualify as significant lenders and therefore are excluded from the survey. Although their omission does not have a serious impact on the overall coverage of lending activity, the statistics for 'other lenders' are affected to a greater extent by this coverage constraint.

6 Changes in the classification of lenders (for example, the conversion of a permanent building society to a bank) are reflected in the 'type of lender' statistics from the month of such changes. Data for earlier periods for such lenders are not reclassified. Details of the establishment of new banks are published in the Reserve Bank of Australia's monthly Bulletin in the section on Technical Notes to tables.

REVISIONS

7 Revisions to previously published statistics are included in the publication as they occur.

COMMITMENTS NOT ADVANCED

8 Commitments not advanced at the end of the period are calculated as follows:

Balance of unadvanced commitments at the end of the previous period
\+ Total new housing commitments (including refinancing)
\+ Alterations and additions

\= Total commitments
\– Cancellations of commitments
\– Commitments advanced during the period

\= Commitments not advanced at the end of the period

SEASONAL ADJUSTMENT

9 Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects' (arising from the varying amounts of activity on different days of the week and the varying reporting practices of the lenders). Adjustment is also made for Easter which may affect the March and April estimates differently. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (for example, a change in interest rates) from the series.

10 Over the period from early 1990 to April 1995, each of the four major banks changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to reporting on a calendar month basis. The published seasonally adjusted data takes account of this change in pattern.

11 Two other developments in recent years may induce some change in the trading day and seasonal patterns of housing finance data. These comprise the changes in the classification of some major financial institutions (in particular, the conversion of building societies into banks) and the recent expansion of activity by mortgage managers. Estimation of seasonal adjustment and trading day factors that reflect the full effect of all these changes will not be possible until a sufficient number of years of data have been collected. Accordingly, the trend estimate data provide the most reliable indicator of underlying movement in housing finance commitments.

12 State component series have been seasonally adjusted independently of the Australian series. The sum of the States components is therefore unlikely to equal the corresponding Australian total series. The State component series are also affected by the changes mentioned in paragraphs 10 and 11.

TREND ESTIMATES

13 Smoothing seasonally adjusted series reduces the impact of the irregular component of the seasonally adjusted series and creates trend estimates. These trend estimates are derived by applying a 13-term Henderson-weighted moving average to all months of the respective seasonally adjusted series except the last six months. Trend series are created for the last six months by applying surrogates of the Henderson moving average to the seasonally adjusted series. For further information, refer to *A Guide to Interpreting Time Series — Monitoring 'Trends': an Overview* (1348.0) or contact the Assistant Director, Time Series Analysis on 06 252 6345.

14 While the smoothing technique described in paragraph 13 enables trend estimates to be produced for the latest few months, it does result in revisions to the trend estimates as new data become available. Generally, revisions become smaller over time and, after three months, usually have a negligible impact on the series. Changes in the original data and re-estimation of seasonal factors may also lead to revisions to the trend.

15 Volatility in the refinancing series means that the most recent trend estimates may be subjected to greater revision than usual. Users are advised to exercise care when interpreting movements affected by this volatility.

EXPLANATORY NOTES

RELATED PUBLICATIONS

16 Users may wish to refer to the following publications:

- *Building Approvals, Australia* (8731.0)
- *Building Activity Australia: Dwelling Unit Commencements* (8750.0)
- *Lending Finance, Australia* (5671.0).

17 Users may also wish to refer to the following statistical products which are available through subscription to a standard data service:

- *Personal Finance, Australia* (5642.0.40.002)
- *Commercial Finance, Australia* (5643.0.40.002)
- *Lease Finance, Australia* (5644.0.40.002).

SYMBOLS AND OTHER USAGES

n.p. not available for publication
n.y.a not yet available

GLOSSARY

Alterations and additions Alterations and additions cover all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.

Average borrowing Average borrowing is calculated as follows:

$$\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$$

Average borrowing does not necessarily represent the average loan size per dwelling. For instance, average borrowing separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.

Commitment A lending commitment is a firm offer of housing finance. It either has been, or is normally expected to be, accepted. Included are commitments to provide housing finance to employees and commitments accepted and cancelled in the same month.

Commitment value The commitment value for a contract of sale is the dwelling's sale value less any deposit.

Construction of dwellings Construction of dwellings represents commitments made to individuals to finance, by way of progress payments, the construction of owner–occupied dwellings.

Dwelling A dwelling is either a house or other dwelling. A house is a single self–contained place of residence detached from other buildings. An other dwelling is a single self–contained place of residence other than a house. Examples of other dwellings are individual flats, home units, town houses, terrace houses, etc.

Dwelling units Dwelling units refers to the number of houses and other dwellings for which commitments have been made, either on the security of first mortgage or on contract of sale.

Established dwelling An established dwelling is one which has been completed for more than twelve months prior to the lodgement of a loan application, or which has been previously occupied.

First home buyers First home buyers are persons entering the home ownership market for the first time.

Fixed rate loan Fixed rate loans have a set interest rate which cannot be varied, either upward or downward, for a minimum period of two years. Capped loans are not categorised as fixed rate loans because their interest rate can vary within a two year period.

Mortgage Manager Mortgage Managers obtain funds from financial institutions and through securitisation to lend for housing finance. In general, they manage the loans that they originate on behalf of the wholesale lenders. To avoid double counting, only those mortgage manager commitments funded by securitisers are included in the housing finance statistics. Those commitments made by mortgage managers acting as agents/brokers for other financial institutions are reported by those institutions.

GLOSSARY

Newly erected dwelling	A new dwelling that has been completed within twelve months of the lodgement of a loan application, and the borrower will be the first occupant.
Refinancing	Refinancing represents a commitment to refinance an existing loan where the refinancing lender is not the lender who made the original loan. Excluded are an institution's refinancing of its own loans and the refinancing of loans to fund a change of residence. The latter is treated as a new lending commitment.
Secured housing finance	This is all secured commitments to individuals for the construction or purchase of houses and other dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.
Self-contained	The dwelling includes bathing and cooking facilities.
Significant lenders	Significant lenders are those lenders who committed funds of more than $27 million Australia-wide during the calendar year 1996.

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