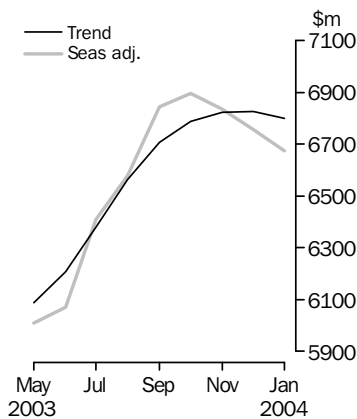


LENDING FINANCE

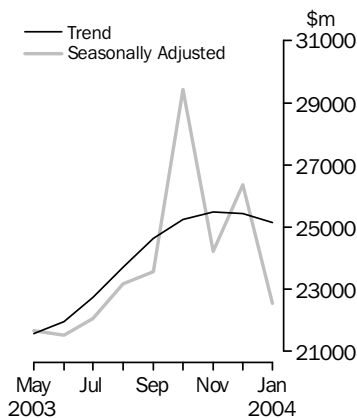
AUSTRALIA

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Personal finance



Commercial finance



INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Sarah Whelan on Canberra (02) 6252 5472.

KEY FIGURES

	Dec 2003	Jan 2004	Dec 2003 to Jan 2004
	\$m	\$m	% change
TREND ESTIMATES			
Housing finance for owner occupation	10 711	10 430	-2.6
Personal finance	6 828	6 802	-0.4
Commercial finance	25 430	25 145	-1.1
Lease finance	556	531	-4.4
SEASONALLY ADJUSTED ESTIMATES			
Housing finance for owner occupation	10 590	9 848	-7.0
Personal finance	6 756	6 676	-1.2
Commercial finance	26 356	22 546	-14.5
Lease finance	529	464	-12.3

KEY POINTS

HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments decreased by 7.0% (seasonally adjusted) in January 2004. The trend series decreased by 2.6%.

PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments fell by 1.2% in January 2004. The fixed lending series fell by 8.5%, while revolving credit commitments rose by 4.5%.
- The total personal finance trend series fell by 0.4% in January 2004, the first decline in this series since September 2001.

COMMERCIAL FINANCE

- The total commercial finance series (seasonally adjusted) fell by 14.5% in January 2004, mainly due to a decrease in fixed lending (down 20.6%).
- The purchase of dwellings by individuals for rent and resale (seasonally adjusted) decreased by 15.5% in January 2004, the third monthly decrease following rises in the previous six months.
- The trend series for total commercial finance decreased by 1.1% in January 2004. Decreases were recorded in both fixed lending (down 1.0%) and revolving credit (down 1.4%).

LEASE FINANCE

- Lease finance (seasonally adjusted) decreased by 12.3% in January 2004, following a 15.5% fall in the previous month.
- The lease finance trend fell by 4.4% in January 2004.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
February 2004	15 April 2004
March 2004	17 May 2004
April 2004	11 June 2004
May 2004	13 July 2004
June 2004	11 August 2004
July 2004	10 September 2004



CHANGES IN THIS ISSUE

There are no changes in this issue.



ABBREVIATIONS

ABS Australian Bureau of Statistics
APRA Australian Prudential Regulation Authority
b billion (one thousand million)
n.e.c. not elsewhere classified

Dennis Trewin
Australian Statistician

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ADDITIONAL TABLES ON AUSSTATS

TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <www.abs.gov.au> by selecting *Time Series Spreadsheets* and then *Finance*.

Tables available are:

- longer time series of tables in this publication
- the following tables
 - C1a. Commercial finance commitments (original, seasonally adjusted, trend)
 - C1b. Commercial finance commitments, fixed loans and revolving credit
 - C1c. Commercial finance commitments, fixed loans and revolving credit by lender
 - C1d. Commercial finance commitments, fixed loans by industry
 - C1e. Commercial finance commitments, revolving credit by industry
 - C2 to C9. Commercial finance commitments, fixed loans and revolving credit by State and Territory
 - L1a. Lease finance commitments, summary (original, seasonally adjusted, trend)
 - L1b. Lease finance commitments by purpose
 - L1c. Lease finance commitments by purpose and lender
 - L1d. Lease finance commitments by industry
 - L2 to L9. Lease finance commitments by purpose and State and Territory
 - OL1b. Operating lease finance commitments by purpose
 - OL1c. Operating lease finance commitments by lender
 - OL1d. Operating lease finance commitments by industry
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 - P1a. Personal finance commitments, summary (original, seasonally adjusted, trend)
 - P1b. Personal finance commitments, fixed loans and revolving credit
 - P1c. Personal finance commitments, fixed loans and revolving credit by lender
 - P2 to P9. Personal finance commitments, fixed loans and revolving credit by State and Territory
 - 13 Lending Finance Seasonal Factors, By Purpose and Lender: Australia, January 1985 to January 2005

LENDING FINANCE SUMMARY OF FINDINGS

HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions (seasonally adjusted) decreased by 7.0% in January 2004, after a decrease of 3.1% in December 2003. The trend series decreased by 2.6% in January.

For further information, please refer to Housing Finance For Owner Occupation, Australia (cat. no. 5609.0).

PERSONAL FINANCE

The seasonally adjusted series for total personal finance fell by 1.2% to \$6 676 million in January 2004, the third monthly fall after increases in the previous six months. Fixed lending decreased by 8.5%, while revolving credit commitments increased by 4.5%.

The total personal finance commitments trend series decreased by 0.4% in January 2004. The trend for revolving credit commitments increased by 0.3%, while the fixed lending trend fell for a third successive month (down 1.2%).

In original terms, fixed lending commitments decreased by 15.5% to \$2 456 million in January 2004. All fixed lending purposes fell in January.

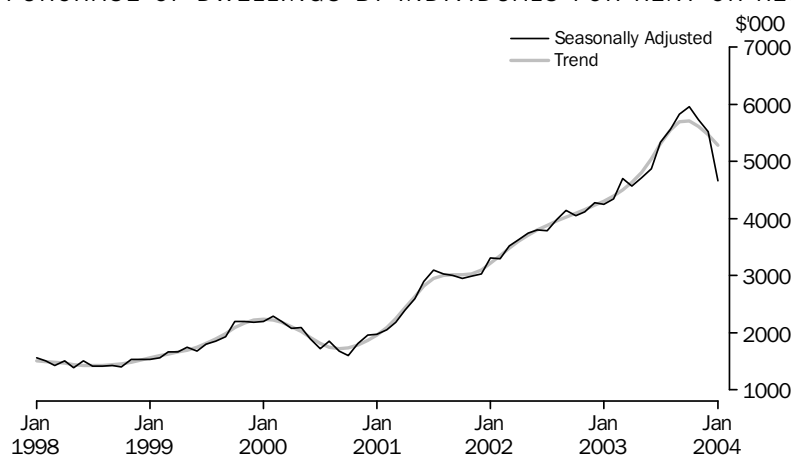
COMMERCIAL FINANCE

The seasonally adjusted total commercial finance series decreased by 14.5% in January 2004, due mainly to decrease in fixed lending (down 20.6%).

The total commercial finance trend estimate decreased by 1.1% in January 2004. The fixed lending trend and the revolving credit trend fell by 1.0% and 1.4% respectively.

The seasonally adjusted purchase of dwellings for rent or resale by individuals (investment housing) series decreased to \$4 660 million (down 15.5%) in January 2004, the third monthly decrease following rises in the previous six months. The investment housing trend series fell by 3.5% in January.

PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



LEASE FINANCE

In seasonally adjusted terms, the lease finance series decreased by 12.3% to \$464 million in January 2004, a second monthly decrease. The lease finance trend series fell for the third successive month, by 4.4%.

FINANCE COMMITMENTS, Summary: (\$m)

Month	SECURED HOUSING(a)		PERSONAL(b)			COMMERCIAL			LEASE
	Construction and purchase of dwellings(c)	Alterations and additions	Fixed loans(c)	Revolving credit(d)	Total	Fixed loans(c)	Revolving credit(d)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003									
January	7 585	411	2 423	2 736	5 159	10 758	5 347	16 105	424
February	8 281	444	2 628	2 924	5 552	11 700	6 049	17 749	444
March	9 459	451	2 709	3 369	6 077	14 461	6 759	21 221	530
April	9 296	427	2 519	3 093	5 612	12 102	8 690	20 792	470
May	10 593	491	2 821	3 537	6 358	15 130	6 916	22 045	623
June	10 237	494	2 874	3 656	6 529	17 817	8 817	26 635	645
July	11 408	523	3 004	4 027	7 031	16 914	8 057	24 971	643
August	10 991	581	2 763	3 803	6 565	15 433	8 051	23 484	543
September	11 536	569	2 885	3 875	6 760	15 861	6 851	22 713	535
October	11 883	620	3 062	3 981	7 043	16 798	12 229	29 028	627
November	10 871	545	2 784	4 043	6 827	15 269	8 290	23 560	567
December	10 835	503	2 908	3 890	6 797	20 363	10 083	30 446	569
2004									
January	8 067	397	2 456	3 210	5 666	11 158	6 067	17 226	364
SEASONALLY ADJUSTED									
2003									
January	8 747	468	2 556	3 346	5 902	13 736	6 900	20 636	521
February	8 950	445	2 650	3 442	6 092	13 871	7 133	21 003	534
March	9 161	428	2 640	3 451	6 091	14 987	7 090	22 077	555
April	9 436	444	2 641	3 274	5 915	13 439	8 380	21 820	535
May	9 835	458	2 670	3 338	6 008	14 195	7 465	21 660	595
June	10 192	484	2 731	3 339	6 070	13 913	7 615	21 528	461
July	10 659	519	2 842	3 567	6 409	14 759	7 288	22 047	553
August	11 091	620	2 865	3 712	6 577	15 839	7 338	23 177	581
September	11 760	578	2 942	3 902	6 844	16 071	7 503	23 574	554
October	11 354	564	2 998	3 900	6 898	16 807	12 626	29 433	623
November	10 928	548	2 948	3 886	6 835	16 405	7 810	24 215	626
December	10 590	512	2 953	3 803	6 756	18 169	8 186	26 356	529
2004									
January	9 848	479	2 700	3 976	6 676	14 428	8 118	22 546	464
TREND									
2003									
January	8 754	455	2 586	3 305	5 891	13 995	7 334	21 329	529
February	8 943	450	2 610	3 350	5 960	13 984	7 365	21 349	536
March	9 180	445	2 634	3 364	5 997	13 993	7 451	21 444	540
April	9 484	450	2 661	3 366	6 027	14 018	7 433	21 451	541
May	9 868	470	2 700	3 388	6 088	14 153	7 420	21 573	539
June	10 313	501	2 753	3 454	6 207	14 425	7 535	21 960	541
July	10 760	535	2 820	3 561	6 381	14 923	7 819	22 742	553
August	11 081	559	2 882	3 681	6 563	15 527	8 180	23 707	567
September	11 205	567	2 923	3 784	6 707	16 083	8 546	24 629	578
October	11 143	561	2 936	3 853	6 789	16 437	8 816	25 253	580
November	10 958	546	2 926	3 897	6 823	16 584	8 908	25 492	571
December	10 711	527	2 902	3 926	6 828	16 581	8 849	25 430	556
2004									
January	10 430	507	2 866	3 936	6 802	16 424	8 721	25 145	531

(a) For owner occupation.

(b) Includes unsecured housing finance for owner occupation.

(c) Includes refinancing

(d) New and increased credit limits during the month. Includes credit cards.

HOUSING AND PERSONAL FINANCE COMMITMENTS, By Lender: Original (\$m)

Month	HOUSING FINANCE(a)					PERSONAL FINANCE(b)				
	Banks	Permanent building societies	Wholesale lenders n.e.c.	Other lenders	Total	Banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003										
January	5 964	242	1 013	365	7 585	3 926	276	691	266	5 159
February	6 392	304	1 205	380	8 281	4 233	290	763	267	5 552
March	7 300	321	1 430	408	9 459	4 669	333	815	259	6 077
April	7 181	342	1 342	431	9 296	4 306	273	822	211	5 612
May	8 182	370	1 528	512	10 593	4 904	288	951	215	6 358
June	7 894	351	1 507	485	10 237	5 096	303	916	215	6 529
July	8 723	406	1 758	520	11 408	5 512	308	992	220	7 031
August	8 466	354	1 705	466	10 991	5 146	250	953	216	6 565
September	8 827	396	1 821	493	11 536	5 443	252	876	190	6 760
October	9 126	383	1 837	537	11 883	5 593	278	957	214	7 043
November	8 371	351	1 636	514	10 871	5 300	264	1 028	235	6 827
December	8 345	327	1 601	561	10 835	5 399	299	920	179	6 797
2004										
January	6 211	237	1 117	502	8 067	4 259	249	920	238	5 666

(a) Secured finance for owner occupation. Excludes alterations and additions.

(b) Unsecured housing finance for owner occupation.

COMMERCIAL AND LEASE FINANCE COMMITMENTS, By Lender: **Original (\$m)**

Month	COMMERCIAL FINANCE					LEASE FINANCE				
	Banks	Money market corporations	Finance companies	Other lenders	Total	Banks	General financiers	Finance companies	Other lessors	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003										
January	14 346	np	340	np	16 105	126	117	84	97	424
February	15 572	161	391	1 625	17 749	133	110	96	105	444
March	18 316	97	610	2 198	21 221	182	134	99	116	530
April	18 526	np	581	np	20 792	138	116	101	114	470
May	18 679	np	712	np	22 045	245	139	115	124	623
June	22 907	np	757	np	26 635	226	134	143	142	645
July	19 964	np	601	np	24 971	172	236	116	119	643
August	18 730	np	480	np	23 484	160	170	95	118	543
September	19 687	342	513	2 170	22 713	139	167	102	127	535
October	26 322	np	542	np	29 028	190	202	123	112	627
November	19 979	np	510	np	23 560	144	218	103	102	567
December	26 229	1 427	533	2 257	30 446	159	187	114	109	569
2004										
January	13 913	np	418	np	17 226	121	117	77	50	364

np not available for publication but included in totals where applicable, unless otherwise indicated

PERSONAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): **Original (\$m)**

<i>Month</i>	<i>New motor cars and station wagons</i>	<i>Used motor cars and station wagons</i>	<i>Total motor vehicles(a)</i>	<i>Individual residential blocks of land</i>	<i>Unsecured finance for owner occupation(b)</i>	<i>Debt consolidation</i>	<i>Refinancing</i>	<i>Other(c)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003									
January	333	477	883	252	42	229	389	627	2 423
February	338	459	888	292	42	242	448	716	2 628
March	345	459	886	334	45	238	470	735	2 709
April	337	403	810	320	45	193	468	682	2 519
May	407	436	927	349	53	207	523	761	2 821
June	423	417	932	347	54	205	541	795	2 874
July	436	443	960	422	54	210	577	781	3 004
August	393	409	885	376	46	189	535	731	2 763
September	411	429	928	387	47	197	562	763	2 885
October	424	439	953	412	49	223	593	831	3 062
November	371	383	835	358	48	202	602	739	2 784
December	425	403	901	370	52	204	603	778	2 908
2004									
January	402	400	869	258	38	199	473	620	2 456

(a) Includes motor cycles and other motor vehicles.

(b) Includes alterations and additions.

(c) Includes boats, caravans and trailers, household goods, travel and holidays and other purposes.

PERSONAL FINANCE COMMITMENTS, Revolving Credit Stocks and Flows: **Original (\$m)**

<i>Month</i>	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	<i>Secured</i>	<i>Unsecured</i>	Total	<i>Total</i>	<i>Total limits</i>	<i>Credit used</i>
	\$m	\$m	\$m	\$m	\$m	\$m
2003						
January	1 561	1 175	2 736	1 012	142 490	67 935
February	1 611	1 314	2 924	897	144 401	69 202
March	1 941	1 428	3 369	1 126	146 357	69 984
April	1 826	1 268	3 093	886	151 898	72 197
May	2 042	1 496	3 537	1 073	154 111	73 002
June	2 210	1 446	3 656	1 282	156 397	75 029
July	2 194	1 833	4 027	1 303	158 334	75 817
August	2 021	1 781	3 803	1 221	160 188	76 892
September	2 126	1 750	3 875	1 270	162 914	77 550
October	2 329	1 652	3 981	1 199	165 713	78 957
November	2 001	2 042	4 043	1 344	168 521	80 184
December	2 132	1 758	3 890	1 395	173 821	81 611
2004						
January	1 618	1 592	3 210	1 213	175 847	82 610

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COMMERCIAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): Original (\$m)

Month	Construction finance	Purchase of real property	Wholesale finance	Purchase of plant and equipment	Refinancing	Other	Total	Commitments not drawn at end of month
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003								
January	1 635	4 527	np	950	616	np	10 758	21 507
February	1 329	5 540	483	938	795	2 614	11 700	22 210
March	1 692	5 874	np	1 075	875	np	14 461	23 176
April	967	5 918	627	923	610	3 058	12 102	22 474
May	1 522	6 626	np	1 036	960	np	15 130	25 023
June	1 890	8 034	np	1 184	1 532	np	17 817	27 874
July	1 499	7 458	495	1 179	1 590	4 693	16 914	28 066
August	1 475	7 324	481	1 064	1 038	4 051	15 433	26 994
September	1 045	7 735	546	1 046	1 180	4 309	15 861	25 956
October	1 397	8 223	np	1 103	949	np	16 798	26 458
November	766	7 052	670	1 014	1 392	4 376	15 269	21 059
December	1 720	7 296	549	1 074	1 721	8 003	20 363	23 392
2004								
January	1 131	4 750	np	1 081	655	np	11 158	21 857

np not available for publication but included in totals where applicable, unless otherwise indicated

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LEASE AND COMMERCIAL FINANCE COMMITMENTS, Stocks and Flows: Original (\$m)

Month	LEASE FINANCE		COMMERCIAL REVOLVING CREDIT			
	Total commitments	Commitments not drawn at end of month	New and increased credit limits	Cancellations and reductions	Total credit limits at end of month	Credit used at end of month
	\$m	\$m	\$m	\$m	\$m	\$m
2003						
January	424	324	5 347	7 915	214 111	110 768
February	444	340	6 049	6 346	214 457	110 886
March	530	324	6 759	5 875	216 529	112 977
April	470	336	8 690	7 649	217 484	112 677
May	623	340	6 916	7 557	217 397	109 486
June	645	357	8 817	7 719	221 071	113 956
July	643	454	8 057	6 731	220 479	112 078
August	543	381	8 051	8 248	222 438	114 443
September	535	399	6 851	9 058	222 212	111 455
October	627	441	12 229	11 109	223 331	111 385
November	567	413	8 290	8 523	222 940	112 325
December	569	372	10 083	9 210	223 770	112 073
2004						
January	364	431	6 067	5 578	224 223	112 681

FINANCE COMMITMENTS, For Housing (Owner Occupation and Commercial) (\$m)

Month	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total (a) (b)	Construction of dwellings for rent or resale	Purchase of dwellings by individuals for rent or resale	Purchase of dwellings by others for rent or resale	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2003									
January	710	255	6 620	411	42	363	3 502	340	12 243
February	822	267	7 192	444	42	613	3 988	348	13 716
March	913	308	8 238	451	45	666	4 672	381	15 675
April	921	297	8 078	427	45	583	4 510	565	15 425
May	1 068	363	9 162	491	53	554	5 256	537	17 483
June	1 030	337	8 869	494	54	679	5 439	828	17 731
July	1 213	392	9 803	523	54	584	5 729	590	18 887
August	1 038	345	9 608	581	46	673	5 663	575	18 529
September	1 099	383	10 054	569	47	439	5 885	542	19 017
October	1 147	487	10 249	620	49	547	6 015	741	19 855
November	1 027	489	9 354	545	48	430	5 351	610	17 854
December	1 054	490	9 290	503	52	554	5 351	561	17 855
2004									
January	795	323	6 949	397	38	340	3 670	381	12 892
SEASONALLY ADJUSTED (c)									
2003									
January	873	289	7 584	468	46	438	4 249	420	14 593
February	920	291	7 738	445	42	773	4 334	417	14 818
March	928	307	7 926	428	43	666	4 702	435	15 418
April	980	312	8 144	444	46	580	4 574	557	15 739
May	996	342	8 497	458	49	530	4 715	501	16 090
June	1 022	340	8 830	484	52	610	4 872	616	16 880
July	1 031	363	9 265	519	54	578	5 332	582	17 840
August	1 029	345	9 717	620	52	680	5 567	625	18 650
September	1 076	378	10 307	578	50	439	5 831	559	18 918
October	1 082	479	9 793	564	48	462	5 952	804	19 128
November	1 054	480	9 394	548	47	479	5 729	588	18 403
December	1 003	458	9 129	512	48	495	5 516	481	17 566
2004									
January	1 022	386	8 441	479	43	415	4 660	493	16 085
TREND (c)									
2003									
January	868	285	7 601	455	44	689	4 306	435	14 693
February	900	296	7 747	450	44	655	4 392	449	14 951
March	936	308	7 937	445	45	627	4 497	474	15 297
April	968	317	8 199	450	47	611	4 630	502	15 764
May	995	326	8 547	470	49	601	4 808	535	16 372
June	1 018	339	8 956	501	50	589	5 040	572	17 095
July	1 037	358	9 365	535	52	574	5 314	608	17 844
August	1 050	382	9 649	559	52	552	5 552	629	18 394
September	1 055	407	9 744	567	50	529	5 690	632	18 621
October	1 053	428	9 662	561	49	500	5 702	620	18 524
November	1 047	442	9 468	546	48	473	5 614	596	18 203
December	1 039	449	9 223	527	46	451	5 467	565	17 766
2004									
January	1 029	450	8 951	507	45	434	5 277	534	17 262

(a) Includes refinancing.

(b) Includes alterations and additions.

(c) Sum of housing component series may not equal total housing finance (see paragraph 14 in Explanatory Notes)

FINANCE COMMITMENTS, For Motor Vehicles: **Original (\$m)**

Month	PERSONAL FINANCE(a)				Total	COMMERCIAL	LEASE	ALL VEHICLE
	New motor cars and station wagons	Used motor cars and station wagons	Motor cycles	Other motor vehicles		FINANCE(a)	FINANCE	FINANCE
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003								
January	333	477	17	56	883	572	181	1 637
February	338	459	17	75	888	629	207	1 725
March	345	459	19	63	886	725	232	1 844
April	337	403	19	51	810	644	228	1 682
May	407	436	26	58	927	720	285	1 932
June	423	417	16	76	932	814	293	2 039
July	436	443	17	65	960	767	283	2 011
August	393	409	15	68	885	711	243	1 840
September	411	429	17	71	928	684	256	1 868
October	424	439	17	72	953	686	278	1 917
November	371	383	16	65	835	636	236	1 707
December	425	403	16	58	901	705	271	1 877
2004								
January	402	400	15	52	869	544	162	1 575

(a) Excludes revolving credit.

LEASE FINANCE COMMITMENTS, For Motor Vehicles: **Original (\$m)**

Month	MOTOR CARS AND STATION WAGONS		LIGHT TRUCKS		HEAVY TRUCKS		OTHER MOTOR VEHICLES	ALL VEHICLES
	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003								
January	110	34	15	4	9	4	5	181
February	126	34	15	4	15	7	5	207
March	143	35	19	3	19	6	6	232
April	149	36	16	3	13	6	5	228
May	175	37	21	4	27	4	18	285
June	176	41	24	4	25	7	16	293
July	177	44	25	4	22	5	7	283
August	150	32	24	2	17	9	8	243
September	162	34	19	3	20	10	9	256
October	177	33	22	3	27	10	7	278
November	149	31	17	3	25	4	8	236
December	186	34	21	2	18	2	7	271
2004								
January	111	26	11	1	8	2	3	162

FINANCE COMMITMENTS, For Plant and Equipment: **Original (\$m)**

Month	COMMERCIAL FINANCE(a)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	<i>Transport equipment(b)</i>	<i>Other plant and equipment</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m
2003					
January	146	231	377	243	620
February	37	272	309	236	545
March	53	297	350	298	648
April	46	233	279	242	521
May	64	252	316	338	654
June	58	312	370	352	722
July	62	350	412	360	772
August	79	274	352	300	652
September	58	304	362	279	641
October	81	336	417	349	766
November	70	308	378	331	709
December	62	306	369	298	667
2004					
January	35	503	537	202	740

(a) Excludes revolving credit.

(b) Excludes motor vehicles (see tables 9 and 10).

LEASE FINANCE COMMITMENTS, For Plant and Equipment: **Original (\$m)**

<i>Month</i>	<i>Transport equipment (a)</i>	<i>Construction and earthmoving equipment</i>	<i>Agricultural machinery and equipment</i>	<i>Manufacturing equipment</i>	<i>Electronic data processing equipment</i>	<i>Office machines</i>	<i>Shop and office furniture, fittings and equipment</i>	<i>Other goods</i>	Total
<i>Month</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2003									
January	6	14	12	22	119	28	10	33	243
February	11	15	14	15	91	40	9	41	236
March	5	28	14	26	112	48	14	50	298
April	3	11	15	15	91	56	10	41	242
May	6	71	16	23	96	56	11	58	338
June	7	27	31	43	101	63	23	57	352
July	5	20	15	24	176	58	20	41	360
August	6	26	11	18	133	61	15	30	300
September	9	26	11	14	110	66	14	29	279
October	6	36	13	38	109	73	23	50	349
November	4	42	12	25	109	77	17	46	331
December	7	17	13	26	107	63	19	47	298
2004									
January	2	10	12	16	80	43	9	30	202

(a) Excludes motor vehicles (see tables 9 and 10).

EXPLANATORY NOTES

INTRODUCTION

- 1** This publication presents statistics of finance commitments made by significant lenders for the purposes of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance.
- 2** *Secured housing finance for owner occupation* is secured finance to individuals for the purchase or construction of dwellings for owner occupation, and for alterations and additions to existing owner occupied dwellings. Refinancing involving a change of lender is also included, while refinancing with the same lender is excluded from all estimates.
- 3** *Personal finance*, other than secured housing finance for owner occupation, is finance provided to individuals for their personal, non-business, use. Both fixed loans and revolving credit finance are included.
- 4** *Commercial finance* is finance provided to individuals and corporations for business or investment purposes, including for the construction or purchase of dwellings for rental or resale. Fixed loans, revolving credit and commercial hire purchase are included.
- 5** *Lease finance* includes finance and leverage leases. Operating lease finance statistics are provided as spreadsheets on AusStats.

SCOPE

- 6** Finance commitments made by the following types of lenders are included:
 - Banks
 - Permanent building societies
 - Credit unions/co-operative credit societies
 - Life or general insurance companies
 - General government enterprises
 - Superannuation funds
 - Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
 - Other Registered Financial Corporations.

COVERAGE

- 7** The statistics cover all bank commitments, and all commitments for secured housing finance for owner occupation made by permanent building societies. Of the remaining commitments, the largest lenders for each of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance are covered, so that when calculated separately for each of the four broad categories of purpose finance, at least 95% of Australia-wide finance commitments and at least 90% of each state's finance commitments are covered. While many lenders other than banks are not covered, at least 70% coverage is maintained for all published lender types (including the Other Lenders series and Other Lessors series).
- 8** An annual collection is conducted to maintain and update the survey coverage. New lenders are included as their lending for any of the four categories of finance becomes sufficiently large.
- 9** From June 2001, the statistics for:
 - secured housing finance for owner occupation cover all commitments by banks and permanent building societies, and commitments by all other lenders which provided more than \$50m for housing finance in 2000;
 - personal finance cover all commitments by banks, and commitments by all other lenders which provided more than \$96m for personal finance in 2000;From June 2002, the statistics for:
 - commercial finance cover all commitments by banks, and commitments by all other lenders which provided more than \$484m for commercial finance in 2001;
 - lease finance cover all commitments by banks, and commitments by all other lenders which provided funds of more than \$31m for lease finance in 2001.
- 10** Additional smaller lenders are also covered where it is necessary to maintain collection coverage (as specified in paragraph 7).

EXPLANATORY NOTES *continued*

REVISIONS

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

12 Changes in the classification of lenders (e.g. the conversion of a permanent building society to a bank) are reflected in the Lender series from the month of the change. 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.

SEASONAL ADJUSTMENT

13 Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects'. A 'trading day effect' reflects the varying amounts of activity on different days of the week and the different number of days of the week in any month (i.e. the number of Sundays, Mondays, etc.). This effect may be partly caused by the 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 (e.g. a change in interest rates) from the series.

14 Housing component series have been seasonally adjusted independently of the total housing series. Therefore the sum of the housing components is unlikely to equal the housing total.

15 The lending finance series uses a concurrent seasonal adjustment methodology to derive the seasonal adjustment factors. This means that original estimates available at the current reference month are used to estimate seasonal factors for the current and previous months. As a result of this methodology, the seasonally adjusted and trend estimates for earlier periods can be revised each month. However, in most instances, the only noticeable revisions will be to the previous month and the same month a year ago.

TREND ESTIMATES

16 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 but the last six months of the respective seasonally adjusted series. 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 *Information Paper: A Guide to Interpreting Time Series—Monitoring Trends: An Overview* (cat. no. 1348.0) or contact the Assistant Director, Time Series Analysis on Canberra 02 6252 6345 or by email at <timeseries@abs.gov.au>.

17 While the smoothing technique described in paragraph 16 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.

EFFECTS OF ROUNDING

18 Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Percentage changes in this publication have been derived from unrounded data.

ABS DATA AVAILABLE ON REQUEST

19 Estimates for months prior to those shown in this publication and more detailed series can be purchased in spreadsheet format from the ABS web site. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

RELATED PUBLICATIONS

20 Users may also wish to refer to the following ABS releases:

- *Housing Finance for Owner Occupation, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.0.40.001)
- *Building Approvals, Australia* (cat. no. 8731.0)

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS *continued*

- *Building Activity, Australia: Dwelling Unit Commencements, Preliminary* (cat. no. 8750.0)
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Sales of New Motor Vehicles, Electronic Publication* (cat. no. 9314.0)

21 In addition, the Reserve Bank of Australia (RBA) produces the monthly *Reserve Bank of Australia Bulletin*, the tables of which are available on the RBA web site <<http://www.rba.gov.au>>. The Australian Prudential Regulation Authority (APRA) also publishes a range of finance statistics on its web site <<http://www.apra.gov.au>>.

22 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (cat. no. 1101.0). The *Catalogue* and information on forthcoming releases (Release Advices) are available from any ABS office or from the ABS web site <<http://www.abs.gov.au>>.

GLOSSARY

Agricultural machinery and equipment	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
Alterations and additions	Comprises 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.
Commitment	Is a firm offer of finance. It either has been, or is normally expected to be, accepted. Commitments accepted and cancelled in the same month are included. Commitments to non-residents are excluded.
Construction and earth moving equipment	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
Construction of dwellings	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
Debt consolidation	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
Dwelling	Is a single self-contained place of residence such as a detached or semi-detached house, a terrace house, a flat, home unit, town house, etc. which includes bathing and cooking facilities.
Electronic data processing equipment	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
Established dwelling	Is a dwelling that has been completed for 12 months or more prior to the lodgement of a loan application, or has been previously occupied.
Finance lease	Refers to the leasing or hiring of tangible assets under an agreement, other than a hire purchase agreement, which substantially transfers from the lessor to the lessee all the risks and benefits incident to ownership of the asset without transferring the legal ownership.
Fixed loans	Generally involve: <ul style="list-style-type: none">■ a commitment for a fixed amount for a fixed period for a specific purpose;■ a schedule of repayments over a fixed period; and■ repayments which reduce the liability of the borrower but do not act to make further finance available.
Heavy trucks	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
Light trucks	Comprises vehicles constructed primarily for the carriage of goods which do not exceed 3.5 tonnes gross vehicle mass such as utilities, panel vans, trucks, cab-chassis, forward control vans and four-wheel drives used to carry goods.
Manufacturing equipment	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
Motor cars and station wagons	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).
Motor cycles	Includes two and three wheeled motor cycles and mopeds, scooters and motor cycles with side cars.
New dwelling	Is a dwelling that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
Office machines	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.

GLOSSARY *continued*

Purpose	Of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category. Otherwise the whole loan is classified to the major purpose.
Refinancing	For personal and commercial finance, represents a commitment to refinance an existing loan. For secured housing finance, only those loans where the refinancing lender is not the original lender and the security is unchanged are included. The refinancing of a loan to fund a change of residence is treated as a new lending commitment.
Revolving credit	Generally has the following characteristics: <ul style="list-style-type: none">■ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed;■ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit; and■ repayments (other than of charges and interest) made during the period reduce the extent of the borrowing used and thereby increase the amount of unused credit available up to the authorised limit. Examples include credit cards, lines of credit and approved overdrafts.
Secured credit limits	Includes overdrafts, lines of credit, credit cards, etc. backed by a mortgage or other assets owned by the borrower.
Secured housing finance	Comprises all secured commitments to individuals for the construction or purchase of 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.
Total credit limits at end of month	Comprises total approved credit limits available at the end of the reference month. In principle, this can be derived by adding new and increased lending commitments during the month less cancellations and reductions of credit limits during the month to the balance of credit limits at the end of the previous month. In practice, however, revisions and other adjustments (such as the transfer of an existing fixed credit facility) will mean that such a derivation is inexact.
Wholesale finance	Comprises finance for the purchase of goods by retailers and wholesalers.

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