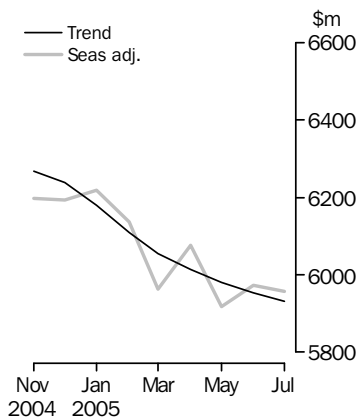


# LENDING FINANCE

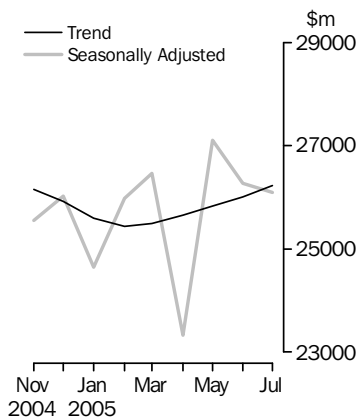
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) FRI 9 SEP 2005

## Personal finance



## Commercial finance



## KEY FIGURES

	Jun 2005 \$m	Jul 2005 \$m	Jun 2005 to Jul 2005 % change
<b>TREND ESTIMATES</b>			
Housing finance for owner occupation	11 690	11 683	-0.1
Personal finance	5 953	5 933	-0.3
Commercial finance	26 012	26 221	0.8
Lease finance	518	511	-1.3
<b>SEASONALLY ADJUSTED ESTIMATES</b>			
Housing finance for owner occupation	11 664	11 704	0.3
Personal finance	5 972	5 957	-0.2
Commercial finance	26 280	26 099	-0.7
Lease finance	480	515	7.2

## KEY POINTS

### HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments excluding alterations and additions increased by 0.3% (seasonally adjusted) in July 2005. The trend series decreased by 0.1%.

### PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments fell by 0.2% in July 2005. This reduction was mainly due to a decrease in fixed lending commitments (down 2.1%) more than offsetting an increase in revolving credit commitments (up 1.2%).
- The total personal finance trend series fell by 0.3% in July 2005. The trend for fixed lending decreased by 0.8%, while revolving credit remained virtually unchanged.

### COMMERCIAL FINANCE

- The seasonally adjusted series for total commercial finance decreased by 0.7% in July 2005. A decrease in revolving credit (down 15.3%) more than offset the increase in the fixed lending series (up 8.4%).
- The purchase of dwellings by individuals for rent or resale (seasonally adjusted) series fell by 4.8% in July 2005, after an increase of 2.2% in June 2005.
- The trend series for total commercial finance rose by 0.8% in July 2005. Revolving credit rose by 0.4%, while fixed lending increased by 1.0%.

### LEASE FINANCE

- Lease finance (seasonally adjusted) increased by 7.2% in July 2005, following a fall of 11.2% in June 2005.
- The lease finance trend fell by 1.3% in July 2005, the fourth consecutive monthly decrease and the seventh decrease in the past eight months.

## INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Michael Abbondante on Canberra (02) 6252 6707.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
August 2005	12 October 2005
September 2005	11 November 2005
October 2005	9 December 2005
November 2005	19 January 2006
December 2005	14 February 2006
January 2006	14 March 2006

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## CHANGES IN THIS ISSUE

There are no changes in this issue.

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## ABBREVIATIONS

\$m million dollars  
ABS Australian Bureau of Statistics  
n.e.c. not elsewhere classified  
RBA Reserve Bank of Australia

Peter Harper  
Acting Australian Statistician

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## ADDITIONAL TABLES ON AUSSTATS

### TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <<http://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
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  - L2 to L9. Lease finance commitments by purpose and state and territory
  - OL1b. Operating lease finance commitments by purpose
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## SUMMARY OF FINDINGS

### HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions increased by 0.3% (seasonally adjusted) in July 2005. The trend series decreased by 0.1%, the second consecutive monthly decrease following a run of increases starting in April 2004.

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

### PERSONAL FINANCE

In seasonally adjusted terms, total personal finance fell by 0.2% in July 2005. This reduction was due to the decrease in fixed lending commitments (down 2.1%) more than offsetting an increase in revolving credit commitments (up 1.2%).

The total personal finance commitments trend series fell by 0.3% in July 2005, continuing a run of decreases since November 2003 for all but one month (October 2004). Fixed lending decreased by 0.8%, while revolving credit remained virtually unchanged.

In original terms, fixed lending commitments decreased by \$283m (down 10.2%) in July 2005. Movements in the original series contributing to this decrease were:

- Total motor vehicles, down \$73m (-8.5%), compared with an average June to July increase of 3.8% over the previous three years,
- Refinancing, down \$61m (-12.0%), compared with an average June to July increase of 2.8% over the previous three years.

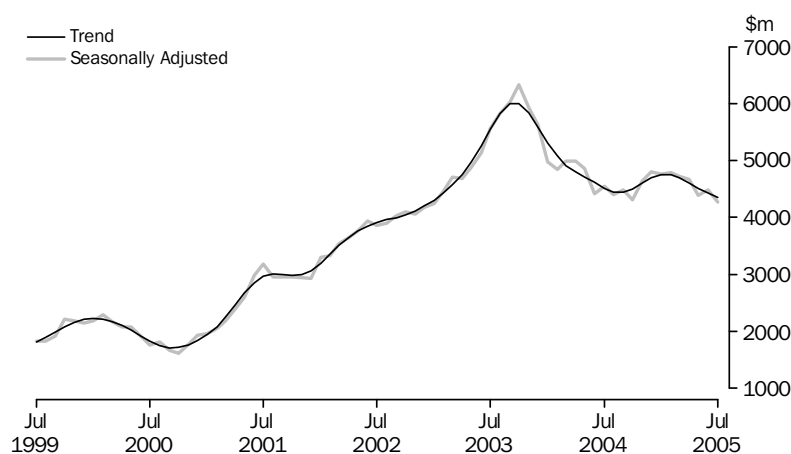
### COMMERCIAL FINANCE

Total commercial finance (seasonally adjusted) decreased by 0.7% in July 2005. This overall decrease was driven by a decrease in revolving credit (down 15.3%) more than offsetting an increase in fixed lending series (up 8.4%).

The trend series for total commercial finance rose by 0.8% in July 2005, the fifth consecutive monthly increase. Revolving credit rose by 0.4%, while fixed lending increased by 1.0%.

The purchase of dwellings by individuals for rent or resale (seasonally adjusted) series fell by 4.8% in July 2005, after an increase of 2.2% in June 2005. The trend series fell by 1.7% in July 2005, the fifth consecutive monthly decrease.

### PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



### LEASE FINANCE

Lease finance (seasonally adjusted) increased by 7.2% in July 2005, following a fall of 11.2% in June 2005. The lease finance trend fell by 1.3% in July 2005, the fourth consecutive monthly decrease and the seventh decrease in the past eight months.

**FINANCE COMMITMENTS, Summary**

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
<b>ORIGINAL</b>									
<b>2004</b>									
July	10 758	509	3 010	3 533	6 543	17 229	8 808	26 037	520
August	10 705	490	2 916	3 174	6 090	16 004	8 409	24 412	521
September	10 872	498	2 954	3 450	6 404	16 183	12 202	28 385	593
October	10 223	451	2 828	3 491	6 319	17 694	7 771	25 465	503
November	11 575	500	3 078	3 478	6 556	16 723	9 326	26 049	519
December	11 532	468	2 827	3 469	6 297	19 375	10 447	29 822	581
<b>2005</b>									
January	8 721	354	2 269	2 818	5 087	11 545	6 247	17 792	404
February	10 696	465	2 576	2 992	5 568	13 655	7 831	21 486	461
March	12 196	519	2 811	3 508	6 320	15 210	9 888	25 098	503
April	11 624	484	2 573	3 117	5 690	16 403	5 898	22 301	508
May	12 444	517	2 810	3 272	6 081	18 936	8 721	27 656	534
June	12 320	508	2 783	3 965	6 748	20 129	13 359	33 488	661
July	11 752	463	2 500	3 636	6 135	18 511	8 437	26 948	553
<b>SEASONALLY ADJUSTED</b>									
<b>2004</b>									
July	10 385	522	2 929	3 169	6 098	15 603	8 478	24 081	471
August	10 387	503	2 907	3 200	6 107	15 623	7 987	23 610	530
September	10 514	495	2 962	3 404	6 366	16 404	11 930	28 334	587
October	10 514	447	2 922	3 557	6 479	17 596	8 524	26 120	525
November	10 917	461	2 927	3 271	6 198	16 649	8 902	25 551	529
December	11 244	468	2 808	3 385	6 193	17 472	8 554	26 026	520
<b>2005</b>									
January	11 270	451	2 682	3 536	6 218	15 890	8 753	24 643	529
February	11 759	474	2 680	3 457	6 137	16 551	9 427	25 978	552
March	11 855	480	2 656	3 308	5 963	15 829	10 629	26 458	507
April	11 618	495	2 712	3 364	6 076	17 660	5 668	23 327	559
May	11 561	489	2 677	3 240	5 917	17 366	9 737	27 103	541
June	11 664	483	2 585	3 387	5 972	16 192	10 088	26 280	480
July	11 704	488	2 531	3 426	5 957	17 549	8 549	26 099	515
<b>TREND</b>									
<b>2004</b>									
July	10 326	517	2 903	3 442	6 345	15 707	8 346	24 053	499
August	10 392	500	2 927	3 359	6 286	15 969	8 745	24 713	512
September	10 502	484	2 934	3 331	6 265	16 370	9 045	25 415	528
October	10 680	470	2 913	3 354	6 268	16 703	9 284	25 987	537
November	10 915	462	2 867	3 400	6 267	16 830	9 332	26 162	539
December	11 169	459	2 809	3 430	6 239	16 798	9 131	25 929	536
<b>2005</b>									
January	11 399	463	2 753	3 427	6 180	16 674	8 929	25 603	533
February	11 567	471	2 710	3 400	6 110	16 597	8 837	25 434	533
March	11 655	478	2 679	3 375	6 054	16 629	8 862	25 491	533
April	11 685	484	2 657	3 358	6 015	16 767	8 891	25 658	530
May	11 692	487	2 633	3 347	5 981	16 924	8 910	25 834	524
June	11 690	490	2 608	3 345	5 953	17 054	8 958	26 012	518
July	11 683	491	2 586	3 346	5 933	17 228	8 993	26 221	511

(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**

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
<b>2004</b>										
July	8 418	298	1 474	568	10 758	5 168	266	881	228	6 543
August	8 270	284	1 556	594	10 705	4 726	270	544	550	6 090
September	8 439	305	1 543	585	10 872	5 016	np	np	554	6 404
October	7 989	303	1 413	518	10 223	4 962	260	525	572	6 319
November	9 043	355	1 593	584	11 575	4 955	307	543	752	6 556
December	9 088	310	1 523	611	11 532	5 034	319	294	650	6 297
<b>2005</b>										
January	6 861	245	1 121	495	8 721	3 882	227	253	726	5 087
February	8 412	361	1 401	521	10 696	4 375	262	276	654	5 568
March	9 539	425	1 602	630	12 196	4 962	294	291	773	6 320
April	9 197	321	1 484	622	11 624	4 472	269	271	677	5 690
May	9 798	316	1 696	633	12 444	4 735	284	302	760	6 081
June	9 556	284	1 870	611	12 320	5 100	256	307	1 085	6 748
July	9 175	286	1 697	594	11 752	4 772	246	266	852	6 135

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

(a) Secured finance for owner occupation. Excludes alterations and additions.  
 (b) Includes unsecured housing finance for owner occupation.

COMMERCIAL AND LEASE FINANCE COMMITMENTS, By Lender: **Original**

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
<b>2004</b>										
July	22 984	442	451	2 161	26 037	199	124	111	85	520
August	20 715	np	404	np	24 412	195	127	107	91	521
September	np	283	382	np	28 385	197	207	101	87	593
October	22 729	264	407	2 064	25 465	169	141	104	89	503
November	np	204	385	np	26 049	183	132	104	99	519
December	np	967	420	np	29 822	200	162	119	100	581
<b>2005</b>										
January	np	np	254	np	17 792	108	154	77	65	404
February	18 651	np	373	np	21 486	171	111	91	88	461
March	np	np	370	np	25 098	174	127	106	97	503
April	18 967	568	340	2 426	22 301	181	131	105	91	508
May	24 274	260	368	2 754	27 656	193	136	104	101	534
June	np	558	455	np	33 488	247	152	146	116	661
July	np	503	311	np	26 948	196	163	99	95	553

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

<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
<b>2004</b>									
July	367	502	966	368	44	241	596	796	<b>3 010</b>
August	353	507	962	377	48	224	567	738	<b>2 916</b>
September	349	509	969	356	48	235	559	788	<b>2 954</b>
October	324	479	911	346	40	246	521	764	<b>2 828</b>
November	349	516	975	375	53	276	595	804	<b>3 078</b>
December	300	462	829	366	48	263	621	700	<b>2 827</b>
<b>2005</b>									
January	270	431	750	268	34	206	468	542	<b>2 269</b>
February	310	464	833	329	40	257	476	641	<b>2 576</b>
March	315	468	840	345	45	331	543	707	<b>2 811</b>
April	286	453	797	348	38	306	462	621	<b>2 573</b>
May	312	477	848	386	37	316	548	675	<b>2 810</b>
June	323	476	859	379	34	328	508	676	<b>2 783</b>
July	288	442	786	318	32	296	446	622	<b>2 500</b>

(a) Includes motorcycles 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**

Month	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total	Total	Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>						
July	2 059	1 474	<b>3 533</b>	1 388	186 977	91 098
August	1 800	1 374	<b>3 174</b>	1 292	187 784	91 372
September	1 939	1 511	<b>3 450</b>	1 611	189 617	92 718
October	1 619	1 872	<b>3 491</b>	1 471	191 914	94 262
November	1 885	1 593	<b>3 478</b>	1 407	194 273	94 410
December	1 911	1 559	<b>3 469</b>	1 503	196 130	95 727
<b>2005</b>						
January	1 413	1 405	<b>2 818</b>	1 308	197 147	94 899
February	1 630	1 362	<b>2 992</b>	1 378	198 782	96 086
March	1 842	1 666	<b>3 508</b>	1 704	200 588	96 678
April	1 709	1 409	<b>3 117</b>	1 573	202 141	97 496
May	1 772	1 500	<b>3 272</b>	1 628	203 756	98 276
June	2 188	1 777	<b>3 965</b>	1 741	206 499	100 784
July	1 779	1 857	<b>3 636</b>	2 207	207 886	101 065

(a) This figure sometimes reflects a rebasing of the data by one or more lenders without adjustment to earlier periods' commitments advanced or cancelled.

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## COMMERCIAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): Original

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
<b>2004</b>								
July	1 651	6 556	1 012	1 170	1 330	5 509	<b>17 229</b>	31 459
August	1 576	6 225	729	1 062	1 696	4 715	<b>16 004</b>	29 833
September	1 078	6 684	708	1 079	1 207	5 427	<b>16 183</b>	29 554
October	2 633	6 330	650	1 060	2 063	4 959	<b>17 694</b>	28 216
November	1 435	6 682	732	1 131	961	5 782	<b>16 723</b>	30 084
December	1 563	7 037	596	1 239	1 525	7 414	<b>19 375</b>	31 794
<b>2005</b>								
January	809	4 809	671	776	737	3 743	<b>11 545</b>	31 027
February	889	5 663	np	1 043	831	np	<b>13 655</b>	31 519
March	1 151	6 159	762	1 138	1 576	4 424	<b>15 210</b>	32 485
April	1 466	6 112	1 172	1 160	1 448	5 046	<b>16 403</b>	32 289
May	1 723	6 083	892	1 162	1 663	7 413	<b>18 936</b>	33 568
June	1 861	6 730	823	1 751	2 033	6 931	<b>20 129</b>	35 581
July	1 766	6 015	890	1 529	1 823	6 488	<b>18 511</b>	37 913

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

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
<b>2004</b>						
July	520	745	8 808	5 424	235 921	117 792
August	521	709	8 409	6 564	235 567	118 419
September	593	755	12 202	5 833	242 555	120 176
October	503	636	7 771	6 978	243 417	122 827
November	519	707	9 326	6 385	245 235	122 276
December	581	np	10 447	7 133	248 693	123 775
<b>2005</b>						
January	404	np	6 247	4 440	250 833	123 732
February	461	np	7 831	6 002	254 019	127 495
March	503	np	9 888	5 599	258 329	128 536
April	508	np	5 898	8 379	255 058	130 750
May	534	np	8 721	5 224	258 589	132 144
June	661	608	13 359	6 939	264 539	134 031
July	553	np	8 437	7 117	265 859	135 147

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

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

	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE(a)			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total(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									
2004									
July	1 037	461	9 260	509	44	605	4 623	484	17 022
August	1 003	455	9 247	490	48	602	4 595	524	16 963
September	994	466	9 413	498	48	592	4 628	408	17 045
October	910	436	8 877	451	40	540	4 133	412	15 800
November	965	472	10 138	500	53	675	4 830	592	18 226
December	962	527	10 043	468	48	587	4 855	549	18 039
2005									
January	721	376	7 625	354	34	356	3 584	333	13 383
February	870	447	9 378	465	40	528	4 296	463	16 488
March	993	520	10 683	519	45	539	4 884	424	18 606
April	958	496	10 171	484	38	570	4 638	360	17 714
May	1 070	573	10 801	517	37	593	4 752	436	18 778
June	1 062	535	10 723	508	34	920	5 009	462	19 253
July	995	565	10 192	463	32	502	4 294	524	17 566
SEASONALLY ADJUSTED									
2004									
July	937	432	9 016	522	44	601	4 547	477	16 577
August	938	453	8 995	503	50	599	4 399	496	16 433
September	942	455	9 116	495	49	592	4 488	449	16 586
October	927	461	9 126	447	43	500	4 311	447	16 263
November	924	463	9 529	461	48	638	4 640	505	17 208
December	941	480	9 823	468	44	554	4 808	488	17 606
2005									
January	965	478	9 828	451	43	526	4 759	429	17 478
February	993	482	10 284	474	41	605	4 792	577	18 248
March	1 001	501	10 354	480	42	513	4 720	436	18 047
April	1 002	508	10 108	495	37	641	4 666	413	18 870
May	986	530	10 045	489	35	593	4 391	377	17 447
June	977	510	10 177	483	33	702	4 487	395	17 764
July	946	550	10 208	488	34	518	4 270	484	17 497
TREND									
2004									
July	941	436	8 949	517	47	577	4 511	461	16 439
August	935	444	9 013	500	47	580	4 444	463	16 426
September	931	453	9 117	484	47	580	4 443	467	16 523
October	932	461	9 287	470	46	575	4 504	474	16 750
November	938	467	9 510	462	46	567	4 601	482	17 072
December	950	473	9 745	459	44	560	4 692	487	17 411
2005									
January	966	480	9 952	463	43	561	4 749	483	17 699
February	981	489	10 097	471	42	571	4 752	471	17 873
March	990	498	10 167	478	40	584	4 698	452	17 907
April	991	508	10 185	484	38	595	4 609	434	17 845
May	986	518	10 187	487	36	605	4 516	422	17 758
June	979	528	10 183	490	34	610	4 428	416	17 669
July	970	536	10 177	491	33	610	4 354	417	17 588

(a) Excludes revolving credit.

(b) Includes alterations and additions.

FINANCE COMMITMENTS, For Motor Vehicles: **Original**

Month	PERSONAL FINANCE(a)					COMMERCIAL	LEASE	ALL VEHICLE
	New motor cars and station wagons	Used motor cars and station wagons	Motorcycles	Other motor vehicles	Total	FINANCE (a)	FINANCE	FINANCE
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>								
July	367	502	18	78	966	676	262	<b>1 903</b>
August	353	507	15	87	962	662	258	<b>1 881</b>
September	349	509	16	94	969	646	263	<b>1 879</b>
October	324	479	21	87	911	641	267	<b>1 818</b>
November	349	516	24	85	975	692	283	<b>1 950</b>
December	300	462	23	43	829	724	288	<b>1 840</b>
<b>2005</b>								
January	270	431	19	30	750	477	182	<b>1 410</b>
February	310	464	24	35	833	603	230	<b>1 666</b>
March	315	468	23	35	840	604	253	<b>1 697</b>
April	286	453	24	34	797	571	256	<b>1 625</b>
May	312	477	25	35	848	624	276	<b>1 747</b>
June	323	476	24	36	859	753	305	<b>1 917</b>
July	288	442	22	34	786	610	263	<b>1 659</b>

(a) Excludes revolving credit.

LEASE FINANCE COMMITMENTS, For Motor Vehicles: **Original**

<i>Month</i>	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
<b>2004</b>								
July	169	40	24	3	15	3	7	<b>262</b>
August	161	41	20	3	17	5	12	<b>258</b>
September	154	41	19	4	20	5	22	<b>263</b>
October	165	40	18	2	22	6	13	<b>267</b>
November	178	42	18	2	17	10	16	<b>283</b>
December	199	38	19	3	14	4	12	<b>288</b>
<b>2005</b>								
January	124	30	10	3	8	3	5	<b>182</b>
February	159	35	14	4	9	4	6	<b>230</b>
March	175	37	14	5	12	3	6	<b>253</b>
April	173	38	13	5	16	3	7	<b>256</b>
May	178	41	24	5	11	3	13	<b>276</b>
June	189	45	27	10	17	6	10	<b>305</b>
July	177	39	12	11	8	5	10	<b>263</b>

## COMMERCIAL AND LEASE FINANCE COMMITMENTS, For Plant and Equipment: **Original**

Month	COMMERCIAL FINANCE(a)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	Transport equipment(b)	Other plant and equipment	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m
<b>2004</b>					
July	133	361	494	258	<b>752</b>
August	59	342	401	263	<b>664</b>
September	79	354	432	329	<b>762</b>
October	73	346	419	236	<b>655</b>
November	98	340	438	236	<b>674</b>
December	137	378	516	293	<b>809</b>
<b>2005</b>					
January	55	244	299	221	<b>520</b>
February	69	370	440	231	<b>671</b>
March	88	445	534	251	<b>784</b>
April	86	503	589	252	<b>841</b>
May	98	439	538	259	<b>796</b>
June	131	866	997	356	<b>1 353</b>
July	92	826	919	290	<b>1 208</b>

(a) Excludes revolving credit.

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

LEASE FINANCE COMMITMENTS, For Plant and Equipment: **Original**

Month	Transport equipment (a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manufacturing equipment	Electronic data processing equipment	Office machines	Shop and office furniture, fittings and equipment	Other goods	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>									
July	5	55	11	28	50	46	18	45	<b>258</b>
August	3	30	8	18	105	46	15	37	<b>263</b>
September	8	31	17	25	142	46	18	42	<b>329</b>
October	5	17	14	18	88	39	14	41	<b>236</b>
November	6	39	11	23	53	43	17	43	<b>236</b>
December	6	31	13	21	97	52	35	38	<b>293</b>
<b>2005</b>									
January	4	20	9	13	102	27	14	32	<b>221</b>
February	5	36	9	21	74	35	18	33	<b>231</b>
March	4	44	14	22	57	53	18	38	<b>251</b>
April	7	39	10	15	74	45	15	46	<b>252</b>
May	7	33	17	20	64	55	16	47	<b>259</b>
June	10	33	24	40	86	52	36	76	<b>356</b>
July	7	25	11	29	102	61	11	44	<b>290</b>

(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/cooperative 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.
- 10** 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.

## EXPLANATORY NOTES *continued*

### COVERAGE *continued*

**11** Additional smaller lenders are also covered where it is necessary to maintain collection coverage (as specified in paragraph 7).

### REVISIONS

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

**13** 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

**14** 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. Trading day effects are removed from the original estimates prior to the seasonal adjustment process. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (e.g. a change in interest rates) from the seasonally adjusted series.

**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. 1349.0) 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 Australian Bureau of Statistics (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, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.0.55.001)

## EXPLANATORY NOTES *continued*

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### RELATED PUBLICATIONS

*continued*

- *Building Approvals, Australia* (cat. no. 8731.0)
- *Dwelling Unit Commencements, Australia, Preliminary* (cat. no. 8750.0) - issued monthly
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Sales of New Motor Vehicles, Australia 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* (cat. no. 1101.0). The *Catalogue* is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

## GLOSSARY

<b>Agricultural machinery and equipment</b>	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
<b>Alterations and additions</b>	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.
<b>Commitment</b>	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.
<b>Construction and earth moving equipment</b>	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
<b>Construction of dwellings</b>	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
<b>Debt consolidation</b>	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
<b>Dwelling</b>	Is a single self-contained place of residence such as a detached or semidetached house, a terrace house, a flat, home unit, town house, etc. which includes bathing and cooking facilities.
<b>Electronic data processing equipment</b>	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
<b>Established dwelling</b>	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.
<b>Finance lease</b>	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.
<b>Fixed loans</b>	Generally involve: <ul style="list-style-type: none"><li>■ a commitment for a fixed amount for a fixed period for a specific purpose</li><li>■ a schedule of repayments over a fixed period</li><li>■ repayments which reduce the liability of the borrower but do not act to make further finance available.</li></ul>
<b>Heavy trucks</b>	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
<b>Light trucks</b>	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.
<b>Manufacturing equipment</b>	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
<b>Motor cars and station wagons</b>	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).
<b>Motorcycles</b>	Includes two and three wheeled motorcycles and mopeds, scooters and motorcycles with side cars.
<b>New dwelling</b>	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.
<b>Office machines</b>	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.

## GLOSSARY *continued*

<b>Purpose</b>	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.
<b>Refinancing</b>	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.
<b>Revolving credit</b>	Generally has the following characteristics: <ul style="list-style-type: none"><li>■ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed</li><li>■ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit</li><li>■ 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.</li></ul>
<b>Secured credit limits</b>	Includes overdrafts, lines of credit, credit cards, etc. backed by a mortgage or other assets owned by the borrower.
<b>Secured housing finance</b>	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.
<b>Total credit limits at end of month</b>	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.
<b>Wholesale finance</b>	Comprises finance for the purchase of goods by retailers and wholesalers.





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