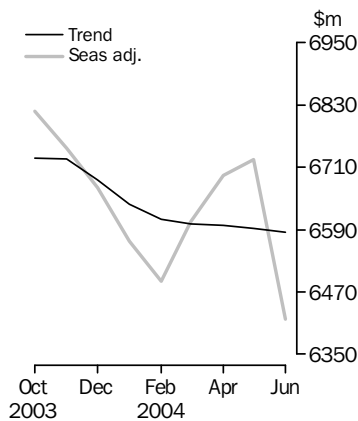


LENDING FINANCE

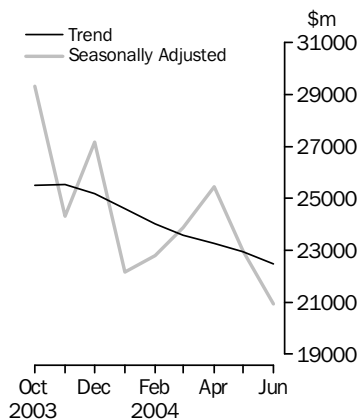
AUSTRALIA

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Personal finance



Commercial finance



KEY FIGURES

	May 2004	Jun 2004	May 2004 to Jun 2004
	\$m	\$m	% change
TREND ESTIMATES			
Housing finance for owner occupation	9 725	9 750	0.3
Personal finance	6 593	6 585	-0.1
Commercial finance	22 956	22 487	-2.0
Lease finance	477	469	-1.7
SEASONALLY ADJUSTED ESTIMATES			
Housing finance for owner occupation	9 870	9 630	-2.4
Personal finance	6 726	6 417	-4.6
Commercial finance	22 966	20 937	-8.8
Lease finance	480	430	-10.4

KEY POINTS

HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments decreased by 2.4% (seasonally adjusted) in June 2004. The trend series increased by 0.3%.

PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments fell by 4.6% in June 2004. Fixed lending decreased by 1.8% and revolving credit commitments decreased by 6.6%.
- The total personal finance trend series decreased by 0.1% in June 2004.

COMMERCIAL FINANCE

- The total commercial finance series (seasonally adjusted) declined by 8.8% in June 2004, due to a fall in fixed lending (down 13.4%) which was partially offset by an increase in revolving credit (up 1.9%).
- The purchase of dwellings by individuals for rent and resale (seasonally adjusted) series decreased by 10.3% in June 2004, the third consecutive monthly fall.
- The trend series for total commercial finance decreased by 2.0% in June 2004, the seventh consecutive monthly decrease. Fixed lending and revolving credit trend series fell by 2.0% and 2.1%, respectively.

LEASE FINANCE

- Lease finance (seasonally adjusted) decreased by 10.4% in June 2004.
- The lease finance trend fell by 1.7% in June 2004, the eighth successive monthly fall.

INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Vincent Nguyen on Canberra (02) 6252 6398.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
July 2004	10 September 2004
August 2004	13 October 2004
September 2004	12 November 2004
October 2004	10 December 2004
November 2004	19 January 2005
December 2004	15 February 2005



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
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LENDING FINANCE SUMMARY OF FINDINGS

HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions (seasonally adjusted) decreased by 2.4% in June 2004. The trend series increased by 0.3%.

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

PERSONAL FINANCE

In seasonally adjusted terms, total personal finance fell by 4.6% to \$6 417 million in June 2004, after three successive monthly increases. Revolving credit commitments decreased by 6.6% to their lowest level since July 2003. In original terms, revolving credit commitments increased by 7.6% due mainly to the increase in secured revolving credit (up 13.5%) in June.

In original terms, fixed lending commitments increased by 9.3%, to \$3 090 million in June 2004. This was due mainly to increases in motor vehicles finance (up 11.6%), refinancing of personal finance (up 14.6%) and other personal finance including alterations and additions (up 11.2%). New and used cars finance increased by 15.9% and 8.8%, respectively.

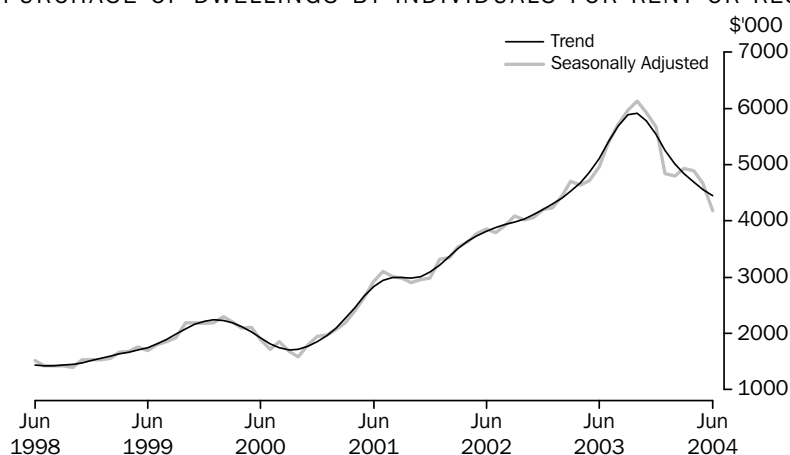
COMMERCIAL FINANCE

Total commercial finance series (seasonally adjusted) decreased by 8.8% to \$20 937 million in June 2004. Revolving credit commitments increased by 1.9%, while fixed lending commitments decreased by 13.4%.

In original terms, fixed lending commitments increased by 5.9%. Construction finance (up 52.7%) and purchase of real property (up 10.6%) were the main contributors to the increase in commercial fixed lending. In contrast, other fixed lending decreased by 12.9%. Revolving credit commitments (original) increased by 47.7%.

The seasonally adjusted purchase of dwellings for rent or resale by individuals series decreased to \$4 182 million (down 10.3%) in June 2004. The trend series fell by 2.3% in June, the eighth consecutive monthly decline, but at a decelerating rate.

PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



LEASE FINANCE

Total lease finance series (seasonally adjusted) decreased by 10.4% to \$430 million in June 2004. In original terms, lease finance commitments increased by 29.8%. There were increases recorded in motor vehicles lease finance commitments series (up 21.3%) and in plant and equipment lease finance commitments series (up 39.6%).

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									
June	10 237	494	2 830	3 659	6 488	17 817	8 817	26 635	645
July	11 408	523	2 967	4 027	6 994	16 914	8 057	24 971	643
August	10 695	581	2 732	3 698	6 430	15 674	8 051	23 725	543
September	11 295	569	2 848	3 879	6 727	16 104	6 851	22 956	535
October	11 597	620	3 016	3 981	6 997	17 091	12 282	29 373	627
November	10 640	545	2 741	4 043	6 784	15 504	8 290	23 794	567
December	10 604	502	2 866	3 890	6 755	20 648	10 127	30 775	569
2004									
January	7 889	397	2 417	3 209	5 626	11 290	6 067	17 358	364
February	8 750	538	2 645	3 196	5 841	12 774	6 101	18 875	437
March	10 768	618	3 117	3 999	7 115	16 706	7 151	23 857	562
April	9 544	510	2 620	3 654	6 274	14 132	9 987	24 119	456
May	10 323	500	2 827	3 915	6 742	17 006	5 872	22 878	464
June	10 251	487	3 090	4 213	7 302	18 011	8 672	26 683	603
SEASONALLY ADJUSTED									
2003									
June	10 160	492	2 697	3 377	6 074	14 250	7 737	21 987	470
July	10 607	513	2 811	3 524	6 336	14 834	7 298	22 132	555
August	10 853	618	2 831	3 687	6 518	16 034	7 398	23 432	574
September	11 256	573	2 881	3 880	6 761	16 135	7 542	23 677	551
October	11 067	558	2 936	3 883	6 819	16 851	12 465	29 316	615
November	10 709	548	2 884	3 863	6 746	16 453	7 864	24 317	629
December	10 318	519	2 868	3 804	6 672	18 857	8 302	27 159	522
2004									
January	9 528	469	2 629	3 939	6 568	14 372	7 795	22 167	463
February	9 587	540	2 744	3 747	6 491	15 447	7 346	22 793	523
March	9 725	538	2 798	3 807	6 605	16 317	7 571	23 888	538
April	9 963	537	2 774	3 921	6 695	15 932	9 516	25 448	503
May	9 870	489	2 818	3 907	6 726	16 076	6 891	22 966	480
June	9 630	466	2 767	3 650	6 417	13 918	7 019	20 937	430
TREND									
2003									
June	10 242	502	2 719	3 450	6 169	14 477	7 592	22 068	545
July	10 602	534	2 779	3 548	6 327	15 007	7 873	22 880	555
August	10 876	558	2 838	3 667	6 505	15 674	8 256	23 930	567
September	10 983	566	2 877	3 776	6 653	16 291	8 639	24 930	576
October	10 883	559	2 881	3 846	6 727	16 672	8 831	25 503	577
November	10 615	545	2 855	3 871	6 726	16 739	8 801	25 540	568
December	10 279	531	2 816	3 870	6 686	16 612	8 578	25 189	552
2004									
January	9 984	522	2 782	3 858	6 639	16 357	8 248	24 605	533
February	9 803	519	2 762	3 847	6 610	16 069	7 948	24 017	516
March	9 734	517	2 760	3 840	6 601	15 798	7 785	23 582	502
April	9 721	512	2 768	3 830	6 599	15 549	7 710	23 260	490
May	9 725	504	2 778	3 815	6 593	15 302	7 654	22 956	477
June	9 750	496	2 789	3 796	6 585	14 997	7 490	22 487	469

(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										
June	7 894	351	1 507	485	10 237	5 096	301	876	215	6 488
July	8 723	406	1 758	520	11 408	5 512	308	955	220	6 994
August	8 170	354	1 705	466	10 695	5 146	250	817	216	6 430
September	8 586	396	1 821	493	11 295	5 443	252	839	193	6 727
October	8 841	383	1 836	537	11 597	5 593	278	911	214	6 997
November	8 140	351	1 636	513	10 640	5 300	264	986	235	6 784
December	8 118	327	1 597	561	10 604	5 399	299	878	179	6 755
2004										
January	6 032	237	1 117	502	7 889	4 259	249	880	238	5 626
February	6 682	280	1 282	506	8 750	4 385	253	931	272	5 841
March	8 203	329	1 639	597	10 768	5 543	324	978	271	7 115
April	7 473	267	1 298	505	9 544	4 894	285	837	259	6 274
May	8 038	316	1 452	518	10 323	5 300	273	897	272	6 742
June	7 931	273	1 538	509	10 251	5 785	283	994	241	7 302

(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 (\$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										
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	18 970	np	480	np	23 725	160	170	95	118	543
September	19 930	342	513	2 170	22 956	139	167	102	127	535
October	26 615	np	542	np	29 373	190	202	123	112	627
November	20 214	np	510	np	23 794	144	218	103	102	567
December	26 558	1 427	533	2 257	30 775	159	187	114	109	569
2004										
January	14 091	np	371	np	17 358	121	117	77	50	364
February	14 840	235	458	3 342	18 875	145	128	94	69	437
March	20 256	np	554	np	23 857	182	172	121	87	562
April	np	np	440	np	24 119	160	114	108	73	456
May	20 323	np	463	np	22 878	164	113	115	72	464
June	23 446	138	563	2 536	26 683	221	137	151	95	603

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

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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									
June	334	469	895	346	55	205	540	790	2 830
July	337	505	924	422	54	210	577	781	2 967
August	296	461	841	376	47	195	539	735	2 732
September	318	485	891	387	47	197	562	764	2 848
October	327	491	907	412	50	222	593	832	3 016
November	284	427	792	358	48	202	602	739	2 741
December	328	458	859	370	52	204	603	778	2 866
2004									
January	305	458	829	258	38	199	473	620	2 417
February	329	472	884	302	47	240	469	703	2 645
March	376	535	1 009	364	56	288	560	840	3 117
April	307	446	832	320	47	236	460	725	2 620
May	321	463	877	367	46	261	529	747	2 827
June	373	504	980	382	47	244	606	831	3 090

(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)**

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
2003						
June	2 211	1 447	3 659	1 294	153 382	75 074
July	2 194	1 833	4 027	1 303	156 055	75 817
August	2 021	1 677	3 698	1 171	157 848	76 793
September	2 126	1 753	3 879	1 270	160 619	77 551
October	2 329	1 652	3 981	1 199	163 367	78 957
November	2 001	2 042	4 043	1 344	166 176	80 184
December	2 132	1 758	3 890	1 395	168 678	81 611
2004						
January	1 618	1 591	3 209	1 213	170 727	82 610
February	1 803	1 393	3 196	1 407	172 456	83 995
March	2 177	1 821	3 999	1 416	174 827	85 183
April	1 795	1 859	3 654	1 353	177 179	86 371
May	2 001	1 914	3 915	2 157	183 562	88 714
June	2 270	1 942	4 213	1 539	186 201	90 527

(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 (\$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								
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	7 564	481	1 064	1 038	4 051	15 674	26 994
September	1 045	7 978	546	1 046	1 180	4 309	16 104	25 956
October	1 397	8 516	np	1 103	949	np	17 091	26 458
November	766	7 286	670	1 014	1 392	4 376	15 504	21 059
December	1 720	7 525	549	1 074	1 777	8 003	20 648	23 392
2004								
January	1 131	4 929	np	1 034	655	np	11 290	21 857
February	748	5 626	np	880	1 225	np	12 774	29 414
March	1 581	7 112	727	1 210	2 211	3 865	16 706	30 492
April	776	5 917	724	886	1 187	4 642	14 132	30 357
May	1 408	6 283	735	936	1 366	6 277	17 006	30 242
June	2 151	6 947	736	1 209	1 499	5 470	18 011	29 715

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						
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	222 455	114 977
September	535	399	6 851	9 058	222 212	111 455
October	627	441	12 282	11 109	223 384	111 450
November	567	413	8 290	8 523	222 945	112 325
December	569	372	10 127	9 210	223 826	112 111
2004						
January	364	431	6 067	5 579	224 271	112 719
February	437	447	6 101	6 561	224 419	112 003
March	562	472	7 151	6 958	224 210	111 504
April	456	414	9 987	5 733	228 575	114 781
May	464	434	5 872	5 212	229 197	113 927
June	603	442	8 672	6 122	231 728	117 674

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

Month	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE(b)			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total(c)	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									
June	1 030	337	8 869	494	55	679	5 439	828	17 731
July	1 213	392	9 803	523	54	584	5 729	590	18 887
August	1 038	332	9 325	581	47	673	5 903	575	18 474
September	1 099	374	9 822	569	47	439	6 128	542	19 019
October	1 147	476	9 974	620	50	547	6 308	741	19 862
November	1 027	477	9 135	545	48	430	5 585	610	17 858
December	1 054	477	9 073	502	52	554	5 580	561	17 853
2004									
January	795	313	6 781	397	38	340	3 849	381	12 892
February	865	383	7 502	538	47	389	4 287	395	14 406
March	1 066	436	9 266	618	56	603	5 460	479	17 984
April	972	418	8 154	510	47	404	4 644	392	15 540
May	1 109	423	8 791	500	46	551	4 909	485	16 813
June	1 113	428	8 709	487	47	688	4 987	552	17 012
SEASONALLY ADJUSTED (d)									
2003									
June	1 019	343	8 799	492	52	586	4 954	621	16 965
July	1 029	360	9 217	513	54	574	5 385	579	17 780
August	1 027	335	9 492	618	52	704	5 717	618	18 456
September	1 071	367	9 818	573	50	432	5 975	554	18 765
October	1 076	459	9 532	558	48	469	6 132	801	18 934
November	1 050	473	9 186	548	47	471	5 928	575	18 244
December	1 003	436	8 879	519	49	497	5 673	489	17 425
2004									
January	1 016	373	8 140	469	43	436	4 836	483	16 035
February	989	414	8 184	540	46	472	4 793	465	15 857
March	1 010	404	8 311	538	51	532	4 932	486	16 253
April	1 059	448	8 457	537	48	436	4 897	440	16 312
May	1 062	422	8 386	489	44	536	4 664	444	16 099
June	1 035	410	8 185	466	44	580	4 182	387	15 260
TREND (d)									
2003									
June	1 016	337	8 889	502	51	588	5 106	573	17 088
July	1 033	353	9 216	534	52	575	5 403	607	17 766
August	1 047	375	9 454	558	52	552	5 693	628	18 318
September	1 054	398	9 531	566	51	527	5 887	633	18 581
October	1 051	416	9 415	559	49	499	5 917	620	18 457
November	1 040	426	9 149	545	48	476	5 778	591	17 999
December	1 026	429	8 824	531	47	462	5 536	551	17 383
2004									
January	1 017	424	8 543	522	47	463	5 262	511	16 796
February	1 016	418	8 370	519	47	475	5 020	478	16 364
March	1 022	415	8 297	517	47	489	4 834	456	16 098
April	1 032	416	8 273	512	47	504	4 685	441	15 924
May	1 041	419	8 265	504	46	521	4 553	429	15 784
June	1 051	423	8 276	496	45	538	4 449	418	15 695

(a) Includes refinancing.

(b) Excludes revolving credit.

(c) Includes alterations and additions

(d) 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								
June	334	469	16	76	895	814	293	2 002
July	337	505	17	65	924	767	283	1 974
August	296	461	15	68	841	711	243	1 795
September	318	485	17	71	891	684	256	1 831
October	327	491	17	72	907	686	278	1 871
November	284	427	16	65	792	636	236	1 664
December	328	458	16	58	859	705	271	1 835
2004								
January	305	458	15	52	829	497	162	1 488
February	329	472	18	64	884	579	223	1 686
March	376	535	19	78	1 009	687	273	1 969
April	307	446	17	62	832	570	251	1 652
May	321	463	18	76	877	614	250	1 741
June	373	504	17	87	980	752	303	2 034

(a) Excludes revolving credit.

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

<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
2003								
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
February	144	33	16	5	16	3	6	223
March	170	39	21	4	28	3	8	273
April	155	31	17	3	22	13	9	251
May	157	38	20	4	16	4	10	250
June	184	44	30	5	26	5	10	303

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

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
2003					
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
February	46	254	301	214	515
March	58	465	523	289	812
April	47	269	317	205	521
May	57	266	323	215	537
June	115	342	457	300	757

(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									
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
February	3	16	16	13	75	41	12	37	214
March	6	22	13	24	109	52	16	46	289
April	9	24	13	14	62	42	12	30	205
May	8	20	18	16	51	49	19	33	215
June	10	33	27	31	71	49	19	59	300

(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, 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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ISSN 1327 4376

RRP \$19.50