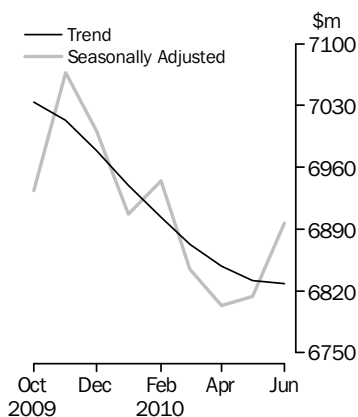


# LENDING FINANCE

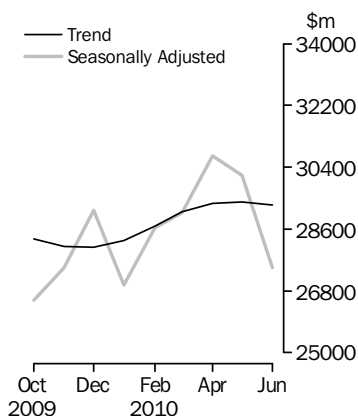
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) WED 11 AUG 2010

## 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 Joe Whelan on Canberra (02) 6252 5747.

## KEY FIGURES

	May 2010 \$m	Jun 2010 \$m	May 2010 to Jun 2010 % change
<b>TREND ESTIMATES</b>			
Housing finance for owner occupation(a)	13 301	13 214	-0.7
Personal finance	6 832	6 829	-0.1
Commercial finance	29 396	29 301	-0.3
Lease finance	376	376	0.0
<b>SEASONALLY ADJUSTED ESTIMATES</b>			
Housing finance for owner occupation(a)	13 522	13 386	-1.0
Personal finance	6 814	6 896	1.2
Commercial finance	30 153	27 482	-8.9
Lease finance	397	373	-6.0

(a) Excludes alterations and additions

## KEY POINTS

### JUNE 2010 COMPARED WITH MAY 2010:

#### HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner occupied housing commitments excluding alterations and additions decreased 0.7% in trend terms and the seasonally adjusted series decreased 1.0%.

#### PERSONAL FINANCE

- The trend series for the value of total personal finance commitments decreased 0.1%. Revolving credit commitments fell 0.8%, while fixed lending commitments rose 0.8%.
- The seasonally adjusted series for the value of total personal finance commitments increased 1.2%. Fixed lending commitments rose 3.7%, while revolving credit commitments fell 1.1%.

#### COMMERCIAL FINANCE

- The trend series for the value of total commercial finance commitments decreased 0.3%. Fixed lending commitments fell 0.7%, while revolving credit commitments rose 0.7%.
- The seasonally adjusted series for the value of total commercial finance commitments decreased 8.9%. Revolving credit commitments fell 10.6% and fixed lending commitments fell 8.1%.

#### LEASE FINANCE

- The trend series for the value of total lease finance commitments was flat (0.0%) while the seasonally adjusted series fell 6.0%.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
July 2010	13 September 2010
August 2010	13 October 2010
September 2010	15 November 2010
October 2010	13 December 2010
November 2010	17 January 2011
December 2010	15 February 2011

## REVISIONS

In this issue revisions have been made to the original series as a result of improved reporting of survey and administrative data. These revisions impact on:

- Housing finance from November 2009 to May 2010;
- Personal finance for January 2010 and May 2010; and
- Commercial finance from November 2010 to May 2010.

Seasonally adjusted and trend series have been revised as a result of revisions to the original series, the incorporation of estimates for the latest month and the revision of seasonal factors due to the concurrent seasonal adjustment methodology.

## ABBREVIATIONS

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

Brian Pink  
Australian Statistician

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## TIME SERIES DATA

### TIME SERIES SPREADSHEETS

Data available free on the ABS web site <http://www.abs.gov.au> include:

- longer time series of tables in this publication, and
- the following tables:

13. Lending Finance Seasonal Factors and Forward Factors for 12 months, By Purpose and Lender: Australia (from January 1985)
14. Commercial finance commitments, summary (original, seasonally adjusted, trend)
15. Commercial finance commitments, fixed loans and revolving credit
16. Commercial finance commitments, fixed loans and revolving credit by lender
17. Commercial finance commitments, fixed loans by industry
18. Commercial finance commitments, revolving credit by industry
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27. Lease finance commitments, summary (original, seasonally adjusted, trend)
28. Lease finance commitments by purpose
29. Lease finance commitments by purpose and lender
30. Lease finance commitments by industry
- 31 to 38. Lease finance commitments by purpose and state and territory
39. Operating lease finance commitments by purpose
40. Operating lease finance commitments by lender
41. Operating lease finance commitments by industry
- 42 to 49. Operating lease finance commitments by purpose and state and territory
50. Personal finance commitments, summary (original, seasonally adjusted, trend)
51. Personal finance commitments, fixed loans and revolving credit
52. Personal finance commitments, fixed loans and revolving credit by lender
- 53 to 60. Personal finance commitments, fixed loans and revolving credit by state and territory

## SUMMARY OF FINDINGS

### HOUSING FINANCE FOR OWNER OCCUPATION

(Table 1)

The trend series for the total value of owner occupied housing commitments excluding alterations and additions decreased 0.7% in June 2010 compared with May 2010. The seasonally adjusted series decreased 1.0%.

For further information, please refer to Housing Finance, Australia (cat. no. 5609.0), which was released on 9 August 2010.

### PERSONAL FINANCE

(Tables 1 & 4)

In trend terms, the value of total personal finance commitments decreased 0.1% in June 2010 compared with May 2010. Revolving credit commitments fell 0.8%, while fixed lending commitments rose 0.8%.

In seasonally adjusted terms, the value of total personal finance commitments increased 1.2% in June 2010. Fixed lending commitments rose 3.7%, while revolving credit commitments fell 1.1%.

In original terms, fixed lending commitments rose 14.6% (up \$489m) in June 2010 compared to an average May to June rise of 11.5% over the previous three years. While all categories recorded increases in original terms, the major movements in the series were commitments for refinancing up \$241m (24.4%), the purchase of motor vehicles up \$94m (11.8%) and debt consolidation up \$51m (19.3%).

### COMMERCIAL FINANCE

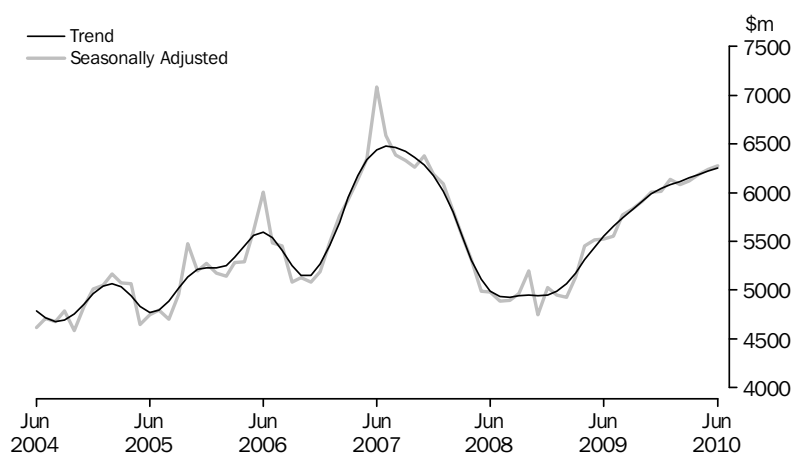
(Tables 1 & 8)

The trend series for the value of total commercial finance commitments decreased 0.3% in June 2010 compared with May 2010. Fixed lending commitments decreased 0.7%, while revolving credit commitments increased 0.7%.

The seasonally adjusted series for the value of total commercial finance commitments decreased 8.9% in June 2010. Revolving credit commitments fell 10.6% and fixed lending commitments fell 8.1%.

The value of commitments for the purchase of dwellings by individuals for rent or resale (trend) increased 0.5% in June 2010, following an increase of 0.6% in May 2010. The seasonally adjusted series rose 0.6% in June 2010.

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



### LEASE FINANCE

(Table 1)

The value of total lease finance commitments (trend) was flat (0.0%) in June 2010. The seasonally adjusted series decreased 6.0%.

**FINANCE COMMITMENTS, Summary**

Month	SECURED HOUSING(a)		PERSONAL(b)			COMMERCIAL			LEASE
	Construction and purchase of dwellings(c)	Alterations and additions	Fixed loans(d)	Revolving credit(e)	Total	Fixed loans(d)	Revolving credit(e)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>ORIGINAL</b>									
<b>2009</b>									
June	17 942	527	4 080	3 875	7 955	24 978	9 462	34 440	427
July	17 879	539	3 512	3 766	7 278	20 602	8 813	29 415	470
August	15 866	459	3 346	3 371	6 717	19 785	8 301	28 087	375
September	17 405	488	3 368	3 640	7 008	24 066	8 488	32 554	366
October	17 047	485	3 373	3 549	6 922	19 077	8 099	27 175	388
November	16 240	469	3 350	3 604	6 953	20 100	7 062	27 162	357
December	16 097	497	3 312	4 031	7 343	26 216	9 639	35 854	482
<b>2010</b>									
January	11 372	375	2 697	3 230	5 927	15 924	4 707	20 632	278
February	12 811	475	3 131	3 454	6 585	17 866	7 137	25 002	319
March	15 175	550	3 529	3 984	7 513	20 388	9 087	29 474	425
April	12 967	454	3 073	3 287	6 360	18 363	6 700	25 063	321
May	14 019	482	3 344	3 440	6 784	21 014	7 836	28 851	393
June	13 985	463	3 833	4 136	7 969	25 430	9 332	34 762	469
<b>SEASONALLY ADJUSTED</b>									
<b>2009</b>									
June	17 253	519	3 530	3 433	6 963	20 341	7 800	28 141	339
July	16 930	526	3 402	3 521	6 923	19 077	8 226	27 304	433
August	16 385	505	3 496	3 653	7 149	20 569	8 389	28 958	397
September	17 341	497	3 451	3 577	7 028	22 765	8 636	31 401	379
October	16 789	473	3 390	3 544	6 934	18 689	7 829	26 518	384
November	15 885	465	3 354	3 713	7 067	20 531	6 931	27 462	374
December	15 240	494	3 275	3 727	7 001	21 741	7 408	29 149	409
<b>2010</b>									
January	14 503	467	3 212	3 694	6 907	20 555	6 413	26 968	364
February	13 884	468	3 245	3 699	6 945	20 902	7 737	28 639	367
March	13 431	471	3 219	3 626	6 844	19 956	9 126	29 082	386
April	13 403	462	3 253	3 550	6 803	22 970	7 767	30 738	357
May	13 522	465	3 252	3 562	6 814	21 388	8 765	30 153	397
June	13 386	445	3 372	3 524	6 896	19 649	7 833	27 482	373
<b>TREND</b>									
<b>2009</b>									
June	17 140	525	3 428	3 479	6 907	20 262	8 538	28 800	393
July	17 131	516	3 463	3 501	6 965	20 318	8 402	28 720	388
August	17 020	505	3 466	3 546	7 012	20 394	8 243	28 637	388
September	16 798	494	3 439	3 596	7 035	20 541	7 947	28 488	388
October	16 434	485	3 393	3 641	7 034	20 665	7 654	28 319	388
November	15 906	478	3 340	3 673	7 013	20 675	7 415	28 090	385
December	15 265	474	3 289	3 689	6 979	20 756	7 320	28 075	380
<b>2010</b>									
January	14 620	472	3 253	3 687	6 940	20 869	7 408	28 277	377
February	14 082	470	3 237	3 667	6 903	21 014	7 671	28 685	376
March	13 714	467	3 240	3 632	6 872	21 140	7 975	29 115	375
April	13 468	463	3 254	3 594	6 848	21 139	8 208	29 347	375
May	13 301	459	3 274	3 558	6 832	21 037	8 359	29 396	376
June	13 214	454	3 299	3 530	6 829	20 880	8 421	29 301	376

(a) For owner occupation.

(d) Includes refinancing (see Glossary).

(b) Includes unsecured housing finance for owner occupation.

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

(c) Includes refinancing across lending institutions (see Glossary).

**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>2009</b>										
June	16 511	371	461	599	17 942	6 837	np	np	606	7 955
July	16 297	383	530	669	17 879	6 181	np	np	590	7 278
August	14 493	274	427	672	15 866	5 669	np	np	575	6 717
September	15 816	297	556	735	17 405	6 096	np	np	597	7 008
October	15 617	238	490	702	17 047	6 015	np	np	579	6 922
November	14 850	245	484	661	16 240	5 921	np	np	699	6 953
December	14 601	233	505	758	16 097	6 274	np	np	690	7 343
<b>2010</b>										
January	10 329	170	339	534	11 372	4 916	np	np	705	5 927
February	11 684	202	319	606	12 811	5 710	np	np	561	6 585
March	13 875	269	357	674	15 175	6 449	np	np	698	7 513
April	11 822	223	340	582	12 967	5 401	np	np	635	6 360
May	12 722	261	372	663	14 019	5 817	np	np	624	6 784
June	12 698	241	407	639	13 985	6 881	np	np	703	7 969

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>2009</b>										
June	np	np	np	np	34 440	145	136	np	np	427
July	26 236	np	196	np	29 415	109	233	np	np	470
August	25 583	np	np	2 343	28 087	161	100	np	np	375
September	29 284	np	186	np	32 554	117	131	np	np	366
October	23 885	np	np	2 191	27 175	116	149	np	np	388
November	24 074	np	np	2 792	27 162	125	112	np	np	357
December	32 320	np	253	np	35 854	234	115	np	np	482
<b>2010</b>										
January	18 624	np	139	np	20 632	70	115	np	np	278
February	22 681	np	172	np	25 002	84	105	np	np	319
March	25 929	np	194	np	29 474	91	166	np	np	425
April	22 884	np	144	np	25 063	70	109	np	np	321
May	25 925	np	171	np	28 851	102	131	np	np	393
June	31 815	np	np	np	34 762	137	147	np	np	469

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



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>	<b>Total</b>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2009</b>									
June	278	354	747	619	35	335	1 515	830	<b>4 080</b>
July	263	357	725	552	34	308	1 141	752	<b>3 512</b>
August	248	350	708	537	30	296	1 078	697	<b>3 346</b>
September	259	356	733	583	35	275	1 032	709	<b>3 368</b>
October	262	354	735	598	36	276	999	729	<b>3 373</b>
November	260	339	720	541	36	270	979	804	<b>3 350</b>
December	272	347	735	538	35	272	920	813	<b>3 312</b>
<b>2010</b>									
January	247	330	677	373	25	229	795	599	<b>2 697</b>
February	287	363	761	479	31	276	833	751	<b>3 131</b>
March	332	419	880	520	41	322	973	793	<b>3 529</b>
April	288	355	749	493	29	250	869	682	<b>3 073</b>
May	314	371	799	520	27	265	989	745	<b>3 344</b>
June	366	414	893	569	29	316	1 230	796	<b>3 833</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 Total(a)	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total		Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2009</b>						
June	1 954	1 921	<b>3 875</b>	2 831	283 461	118 585
July	1 835	1 931	<b>3 766</b>	2 884	284 553	117 801
August	1 511	1 860	<b>3 371</b>	2 403	285 746	117 725
September	1 567	2 073	<b>3 640</b>	2 597	287 991	121 832
October	1 592	1 958	<b>3 549</b>	3 162	288 307	122 000
November	1 521	2 082	<b>3 604</b>	2 897	289 008	123 023
December	2 028	2 003	<b>4 031</b>	2 994	290 537	124 181
<b>2010</b>						
January	1 274	1 956	<b>3 230</b>	2 833	291 039	124 144
February	1 647	1 806	<b>3 454</b>	2 493	291 975	125 871
March	1 744	2 240	<b>3 984</b>	6 971	288 971	125 350
April	1 509	1 779	<b>3 287</b>	3 182	289 089	125 417
May	1 633	1 807	<b>3 440</b>	2 800	289 728	125 811
June	2 146	1 990	<b>4 136</b>	2 786	291 077	126 987

(a) These figures sometimes reflect a rebasing of the data by one or more lenders without adjustment to earlier periods' commitments or cancellations.

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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>2009</b>								
June	2 313	8 504	1 348	2 007	1 996	8 809	<b>24 978</b>	49 584
July	1 126	7 344	1 529	1 266	1 773	7 564	<b>20 602</b>	48 815
August	1 123	7 727	881	1 034	2 010	7 010	<b>19 785</b>	49 121
September	2 785	8 720	1 170	1 530	2 694	7 167	<b>24 066</b>	51 367
October	1 144	7 272	1 268	1 710	2 004	5 678	<b>19 077</b>	49 730
November	1 307	8 313	1 403	1 573	1 939	5 566	<b>20 100</b>	50 029
December	1 328	8 434	1 490	1 986	2 808	10 170	<b>26 216</b>	49 133
<b>2010</b>								
January	848	6 164	920	1 217	1 009	5 766	<b>15 924</b>	47 068
February	1 142	6 879	1 008	1 304	1 224	6 309	<b>17 866</b>	46 443
March	1 015	8 720	1 299	1 554	1 729	6 070	<b>20 388</b>	47 655
April	1 107	7 821	np	1 425	1 671	np	<b>18 363</b>	47 047
May	1 354	8 303	1 127	1 415	2 147	6 667	<b>21 014</b>	47 274
June	1 178	9 896	1 302	1 914	2 587	8 553	<b>25 430</b>	48 005

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(a)	Total credit limits at end of month(a)	Credit used at end of month
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2009</b>						
June	427	np	9 462	14 600	353 507	213 539
July	470	np	8 813	16 099	345 953	207 259
August	375	np	8 301	9 637	344 572	206 250
September	366	np	8 488	10 196	342 733	205 343
October	388	np	8 099	10 046	341 127	205 694
November	357	np	7 062	12 207	336 048	204 510
December	482	np	9 639	11 863	333 552	200 681
<b>2010</b>						
January	278	np	4 707	8 142	330 069	198 993
February	319	np	7 137	12 034	324 978	198 472
March	425	np	9 087	10 933	322 939	197 846
April	321	np	6 700	8 399	319 963	196 201
May	393	np	7 836	9 100	318 128	196 189
June	469	np	9 332	10 590	316 676	195 085

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

(a) These figures sometimes reflect a rebasing of the data by one or more lenders without adjustment to earlier periods' commitments or cancellations.

FINANCE COMMITMENTS, For Housing (Owner Occupation and Commercial)

Month	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(b)	Alterations and additions	Total(c)	Construction of dwellings for rent and resale	Purchase of dwellings by individuals for rent or resale (d)	Purchase of dwellings by others for rent or resale	Total	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
ORIGINAL										
<b>2009</b>										
June	1 746	784	15 412	527	35	470	6 413	910	<b>26 296</b>	
July	1 793	824	15 262	539	34	303	5 888	579	<b>25 221</b>	
August	1 625	759	13 482	459	30	343	5 616	722	<b>23 037</b>	
September	1 844	819	14 741	488	35	502	5 798	544	<b>24 772</b>	
October	1 970	779	14 298	485	36	375	5 770	609	<b>24 323</b>	
November	1 755	731	13 754	469	36	305	6 133	623	<b>23 805</b>	
December	1 721	846	13 530	497	35	413	6 218	782	<b>24 042</b>	
<b>2010</b>										
January	1 230	512	9 631	375	25	293	4 759	493	<b>17 317</b>	
February	1 433	615	10 763	475	31	315	5 460	542	<b>19 635</b>	
March	1 528	741	12 906	550	41	447	6 680	752	<b>23 645</b>	
April	1 283	656	11 029	454	29	352	5 969	677	<b>20 448</b>	
May	1 366	743	11 910	482	27	701	6 593	824	<b>22 647</b>	
June	1 412	753	11 821	463	29	542	7 316	864	<b>23 199</b>	
SEASONALLY ADJUSTED										
<b>2009</b>										
June	1 613	755	14 884	519	34	423	5 523	650	<b>24 402</b>	
July	1 606	766	14 557	526	33	251	5 556	549	<b>23 845</b>	
August	1 634	788	13 963	505	34	355	5 769	680	<b>23 728</b>	
September	1 730	799	14 812	497	34	487	5 834	537	<b>24 730</b>	
October	1 893	767	14 128	473	34	361	5 915	616	<b>24 188</b>	
November	1 810	729	13 345	465	33	404	6 006	603	<b>23 396</b>	
December	1 683	776	12 781	494	34	363	6 013	717	<b>22 860</b>	
<b>2010</b>										
January	1 628	676	12 199	467	31	401	6 141	677	<b>22 220</b>	
February	1 597	669	11 618	468	32	395	6 084	674	<b>21 537</b>	
March	1 421	674	11 336	471	33	419	6 118	800	<b>21 273</b>	
April	1 354	689	11 360	462	31	426	6 181	769	<b>21 271</b>	
May	1 322	706	11 494	465	28	544	6 239	813	<b>21 611</b>	
June	1 277	703	11 406	445	28	441	6 276	607	<b>21 184</b>	
TREND										
<b>2009</b>										
June	1 591	775	14 774	525	33	389	5 553	574	<b>24 214</b>	
July	1 650	778	14 702	516	33	388	5 652	594	<b>24 314</b>	
August	1 705	780	14 535	505	34	384	5 739	603	<b>24 284</b>	
September	1 750	778	14 270	494	34	383	5 825	607	<b>24 141</b>	
October	1 776	768	13 889	485	34	385	5 910	617	<b>23 865</b>	
November	1 769	750	13 387	478	33	388	5 986	634	<b>23 425</b>	
December	1 724	726	12 815	474	33	392	6 041	662	<b>22 867</b>	
<b>2010</b>										
January	1 645	705	12 271	472	33	395	6 080	697	<b>22 297</b>	
February	1 550	691	11 840	470	32	406	6 114	726	<b>21 830</b>	
March	1 462	686	11 567	467	31	427	6 149	742	<b>21 531</b>	
April	1 386	686	11 396	463	31	447	6 185	747	<b>21 340</b>	
May	1 323	688	11 290	459	30	464	6 220	743	<b>21 217</b>	
June	1 275	692	11 248	454	29	480	6 251	729	<b>21 157</b>	

(a) Excludes revolving credit.

(c) Includes alterations and additions.

(b) Only includes refinancing across lending institutions (see Glossary).

(d) Includes refinancing (See Glossary)

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

Month	PERSONAL FINANCE(a)					COMMERCIAL FINANCE(a)	LEASE FINANCE	ALL VEHICLE FINANCE
	New motor cars and station wagons	Used motor cars and station wagons	Motorcycles	Other motor vehicles	Total	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2009</b>								
June	278	354	15	100	747	1 100	178	<b>2 025</b>
July	263	357	16	89	725	650	194	<b>1 569</b>
August	248	350	17	93	708	569	187	<b>1 463</b>
September	259	356	17	101	733	833	201	<b>1 767</b>
October	262	354	18	101	735	900	195	<b>1 830</b>
November	260	339	17	104	720	937	201	<b>1 859</b>
December	272	347	16	100	735	1 312	243	<b>2 289</b>
<b>2010</b>								
January	247	330	15	85	677	720	153	<b>1 550</b>
February	287	363	17	94	761	778	185	<b>1 724</b>
March	332	419	18	111	880	937	241	<b>2 058</b>
April	288	355	15	91	749	874	207	<b>1 830</b>
May	314	371	14	99	799	850	242	<b>1 891</b>
June	366	414	16	97	893	1 094	254	<b>2 241</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>2009</b>								
June	116	41	8	5	1	6	2	<b>178</b>
July	134	41	8	3	3	4	1	<b>194</b>
August	129	37	7	3	2	8	1	<b>187</b>
September	138	39	9	4	5	4	1	<b>201</b>
October	136	35	13	np	np	np	np	<b>195</b>
November	149	32	12	np	2	1	np	<b>201</b>
December	177	36	12	4	6	np	np	<b>243</b>
<b>2010</b>								
January	106	29	7	np	1	np	np	<b>153</b>
February	129	38	8	3	3	4	1	<b>185</b>
March	171	41	14	5	4	5	1	<b>241</b>
April	148	37	14	np	2	2	np	<b>207</b>
May	171	44	16	np	3	3	np	<b>242</b>
June	175	48	19	4	3	3	2	<b>254</b>

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

<i>Month</i>	<u>COMMERCIAL FINANCE(b)</u>			<u>LEASE FINANCE</u>	<u>ALL PLANT AND EQUIPMENT FINANCE</u>
	<i>Transport equipment</i>	<i>Other plant and equipment</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m
<b>2009</b>					
June	138	769	907	248	<b>1 156</b>
July	144	472	616	276	<b>891</b>
August	56	409	466	189	<b>654</b>
September	88	608	696	166	<b>862</b>
October	93	717	811	192	<b>1 003</b>
November	143	493	636	156	<b>791</b>
December	121	553	674	239	<b>913</b>
<b>2010</b>					
January	92	405	498	125	<b>623</b>
February	73	453	526	134	<b>660</b>
March	101	516	617	184	<b>801</b>
April	96	456	551	113	<b>665</b>
May	68	498	565	151	<b>716</b>
June	142	678	820	215	<b>1 035</b>

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

(b) Excludes revolving credit.

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

	<i>Transport equipment (a)</i>	<i>Construction and earthmoving equipment</i>	<i>Agricultural machinery and equipment</i>	<i>Manu- facturing 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>	<i>Total</i>
<i>Month</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2009</b>									
June	8	21	np	np	69	39	41	38	<b>248</b>
July	7	9	8	6	160	52	12	23	<b>276</b>
August	np	6	4	4	32	44	15	np	<b>189</b>
September	np	3	5	6	71	37	15	np	<b>166</b>
October	2	5	4	7	67	55	7	45	<b>192</b>
November	np	4	3	3	34	67	9	np	<b>156</b>
December	np	6	2	6	57	64	10	np	<b>239</b>
<b>2010</b>									
January	np	4	3	3	40	np	np	np	<b>125</b>
February	np	1	3	7	47	np	np	np	<b>134</b>
March	np	6	3	4	88	42	19	np	<b>184</b>
April	np	3	3	4	47	np	np	np	<b>113</b>
May	np	5	7	7	55	35	8	np	<b>151</b>
June	5	8	12	6	79	39	24	42	<b>215</b>

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

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



## EXPLANATORY NOTES

### INTRODUCTION

- 1** This publication presents statistics on 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 Details tab of this issue.

### 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)
  - Registered Financial Corporations (RFCs).

### 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).

### SOURCES

**12** For banks, credit cooperatives, building societies and RFCs, the statistics in this publication are currently derived from returns submitted to the Australian Prudential Regulation Authority (APRA). The Financial Sector (Collection of Data) Act 2001 facilitates the collection of statistical data from the financial sector, with APRA established as the central point for collection of both prudential and statistical data. In October 2001, APRA implemented new reporting forms for building societies and credit cooperatives. New reporting forms were implemented for banks in March 2002, and for RFCs in March 2003. APRA commenced collecting loan commitments data from banks, credit cooperatives, building societies in July 2002 and from RFCs in March 2003.

**13** Secured housing finance commitments for owner occupied housing from banks, building societies and credit cooperatives are derived from form *ARF 392.0 Housing Finance* collected by APRA. Personal finance commitments from these lenders are sourced from the *ARF 394.0 Personal Finance*. Commercial finance commitments from these lenders are sourced from the *ARF 391.0 Commercial Finance* and from the *ARF 394.0 Personal Finance* for fixed loans for personal investment purposes. Lease finance commitments are sourced from the *ARF 393.0 Lease Finance*.

**14** Finance commitments for RFCs are collected on the *RRF 391.0 Commercial Finance* (commercial finance commitments), *RRF 392.0 Housing Finance* (secured housing finance commitments for owner occupied housing), *RRF 393.0 Lease Finance* (lease finance commitments) and *RRF 394.0 Personal Finance* (personal finance commitments and commercial finance commitments).

**15** Electronic versions of the forms and instructions for ADIs are available on the APRA web site at <http://www.apra.gov.au/Statistics/Reporting-forms-and-instructions-exclude-Basel-II.cfm>. For RFCs, these are available at: <http://www.apra.gov.au/rfc/>.

**16** All other institutions, including securitisation vehicles, are collected directly by the ABS.

### REVISIONS

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

**18** 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

**19** 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.

**20** 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

## EXPLANATORY NOTES *continued*

### SEASONAL ADJUSTMENT

*continued*

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.

**21** Autoregressive integrated moving average (ARIMA) modelling can improve the revision properties of the seasonally adjusted and trend estimates. ARIMA modelling relies on the characteristics of the series being analysed to project future period data. The projected values are temporary, intermediate values, that are only used internally to improve the estimation of the seasonal factors. The projected data do not affect the original estimates and are discarded at the end of the seasonal adjustment process. The lending finance collection uses an individual ARIMA model for 96% of the series in this publication. The ARIMA model is assessed as part of the annual reanalysis. For more information on ARIMA modelling see Feature article: Use of ARIMA modelling to reduce revisions in the October 2004 issue of *Australian Economic Indicators* (cat. no. 1350.0).

### TREND ESTIMATES

**22** 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 <time.series.analysis@abs.gov.au>.

**23** While the smoothing technique described in paragraph 22 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

**24** Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Change in dollar value, number and percentage terms and averages presented in the commentary and the percentage change publication tables are based on unrounded data and may differ slightly from percentage changes and averages calculated from the rounded data presented in the tables in this publication.

### ABS DATA AVAILABLE ON REQUEST

**25** Estimates for months prior to those shown in this publication and more detailed series are available 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

**26** 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)
- *Building Approvals, Australia* (cat. no. 8731.0)
- *Dwelling Unit Commencements, Australia, Preliminary* (cat. no. 8750.0) - issued quarterly
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Sales of New Motor Vehicles, Australia Electronic Publication* (cat. no. 9314.0).

**27** 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>>.

## EXPLANATORY NOTES *continued*

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### RELATED PUBLICATIONS *continued*

**28** 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>Real Property</b>	Comprises both residential and non-residential land, buildings and fixed structures.
<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 a different 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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