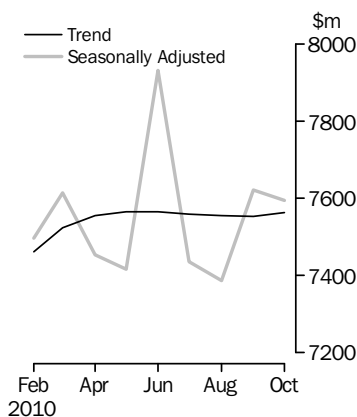


LENDING FINANCE

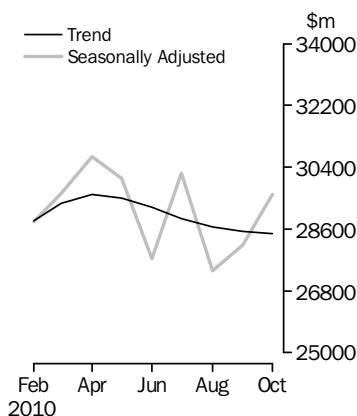
AUSTRALIA

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Personal finance



Commercial finance



INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Joe Whelan on Canberra (02) 6252 5747.

KEY FIGURES

	Sep 2010 \$m	Oct 2010 \$m	Sep 2010 to Oct 2010 % change
TREND ESTIMATES			
Housing finance for owner occupation(a)	13 826	13 948	0.9
Personal finance	7 553	7 562	0.1
Commercial finance	28 528	28 468	-0.2
Lease finance	403	409	1.6
SEASONALLY ADJUSTED ESTIMATES			
Housing finance for owner occupation(a)	13 772	14 161	2.8
Personal finance	7 622	7 595	-0.4
Commercial finance	28 138	29 601	5.2
Lease finance	403	416	3.1

(a) Excludes alterations and additions

KEY POINTS

OCTOBER 2010 COMPARED WITH SEPTEMBER 2010:

HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner occupied housing commitments excluding alterations and additions rose 0.9% in trend terms and the seasonally adjusted series rose 2.8%.

PERSONAL FINANCE

- The trend series for the value of total personal finance commitments rose 0.1%. Fixed lending commitments rose 0.3%, while revolving credit commitments fell 0.1%.
- The seasonally adjusted series for the value of total personal finance commitments fell 0.4%. Revolving credit commitments fell 2.5%, while fixed lending commitments rose 1.9%.

COMMERCIAL FINANCE

- The trend series for the value of total commercial finance commitments fell 0.2%. Fixed lending commitments fell 0.9%, while revolving credit commitments rose 1.5%.
- The seasonally adjusted series for the value of total commercial finance commitments rose 5.2%. Revolving credit commitments rose 17.4% and fixed lending commitments rose 0.3%.

LEASE FINANCE

- The trend series for the value of total lease finance commitments rose 1.6% and the seasonally adjusted series rose 3.1%.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
November 2010	17 January 2011
December 2010	15 February 2011
January 2011	15 March 2011
February 2011	11 April 2011
March 2011	17 May 2011
April 2011	14 June 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:

- Personal finance and commercial finance for the period August 2010 to September 2010; and
- Investment housing for the period August 2010 to September 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.

CHANGES IN FORTHCOMING ISSUES

The seasonally adjusted and trend estimates of lending finance will be revised in the December 2010 issue as a result of the annual seasonal re-analysis. This re-analysis reviews the seasonal and trading day factors in more detail than is possible in the quarterly processing cycle and assesses the appropriateness of any prior corrections. Please refer to paragraph 20 of the explanatory notes for more information regarding seasonal re-analysis.



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

CONTENTS

page

Time Series Spreadsheets 4

ANALYSIS

Summary of findings 5

TABLES

1 Finance commitments, summary 6

2 Housing and personal finance commitments, by lender, original 7

3 Commercial and lease finance commitments, by lender, original 8

4 Personal finance commitments, by purpose (fixed loans), original 9

5 Personal finance commitments, revolving credit stocks and flows,
original 10

6 Commercial finance commitments, by purpose (fixed loans), original 11

7 Lease and commercial finance commitments, stocks and flows, original 11

8 Finance commitments for housing (owner occupation and
commercial) 12

9 Finance commitments for motor vehicles, original 13

10 Lease finance commitments for motor vehicles, original 14

11 Commercial and lease finance commitments for plant and equipment,
original 15

12 Lease finance commitments for plant and equipment, original 16

OTHER INFORMATION

Explanatory Notes 17

Glossary 21

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
- 19 to 26. Commercial finance commitments, fixed loans and revolving credit by state and territory
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 rose 0.9% and the seasonally adjusted series rose 2.8%.

For further information, please refer to *Housing Finance, Australia* (cat. no. 5609.0), which was released on 8 December 2010.

PERSONAL FINANCE

(Tables 1 & 4)

In trend terms, the value of total personal finance commitments rose 0.1% in October 2010 compared with September 2010. Fixed lending commitments rose 0.3%, while revolving credit commitments fell 0.1%.

In seasonally adjusted terms, the value of total personal finance commitments fell 0.4% in October 2010. Revolving credit commitments fell 2.5%, while fixed lending commitments rose 1.9%.

COMMERCIAL FINANCE

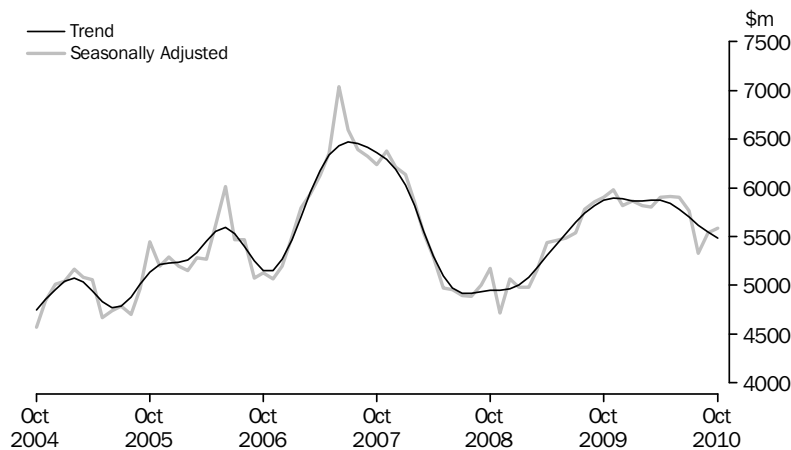
(Tables 1 & 8)

The trend series for the value of total commercial finance commitments fell 0.2% in October 2010 compared with September 2010. Fixed lending commitments fell 0.9%, while revolving credit commitments rose 1.5%.

The seasonally adjusted series for the value of total commercial finance commitments rose 5.2% in October 2010. Revolving credit commitments rose 17.4% and fixed lending commitments rose 0.3%.

The value of commitments for the purchase of dwellings by individuals for rent or resale (trend) fell 1.1% in October 2010, following a fall of 1.3% in September 2010. The seasonally adjusted series rose 0.9% in October 2010.

PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



LEASE FINANCE

(Table 1)

The value of total lease finance commitments (trend) rose 1.6% in October 2010. The seasonally adjusted series rose 3.1%.

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
ORIGINAL									
2009									
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	15 952	433	3 731	4 181	7 911	24 699	11 254	35 953	482
2010									
January	11 264	317	2 941	3 286	6 227	15 597	5 149	20 746	278
February	12 655	407	3 441	3 708	7 149	17 611	7 569	25 180	319
March	15 051	467	3 917	4 598	8 515	20 262	9 889	30 151	425
April	12 842	397	3 364	3 607	6 971	17 897	7 328	25 225	321
May	13 902	422	3 689	3 720	7 409	20 661	7 978	28 640	393
June	13 900	403	4 762	4 503	9 265	24 797	10 420	35 217	469
July	13 994	377	3 603	3 855	7 457	21 915	9 354	31 269	402
August	13 816	373	3 537	3 603	7 140	20 950	7 020	27 970	391
September	13 815	401	3 681	3 909	7 591	19 955	8 379	28 334	390
October	13 658	416	3 556	3 507	7 063	20 327	9 092	29 419	410
SEASONALLY ADJUSTED									
2009									
October	16 825	465	3 421	3 615	7 037	18 703	7 655	26 358	380
November	15 837	452	3 425	3 722	7 147	20 330	7 222	27 552	371
December	15 122	434	3 568	3 871	7 439	21 118	8 352	29 470	410
2010									
January	14 380	398	3 486	3 828	7 315	19 974	6 928	26 901	362
February	13 728	408	3 548	3 948	7 496	20 603	8 219	28 822	366
March	13 336	405	3 549	4 065	7 614	19 649	9 994	29 642	387
April	13 246	403	3 579	3 874	7 453	22 343	8 378	30 721	358
May	13 434	403	3 601	3 816	7 416	20 820	9 243	30 063	399
June	13 382	393	4 085	3 847	7 932	19 253	8 484	27 737	377
July	13 600	388	3 640	3 796	7 436	21 326	8 909	30 234	390
August	13 648	396	3 546	3 839	7 386	20 254	7 132	27 386	395
September	13 772	403	3 780	3 842	7 622	20 110	8 028	28 138	403
October	14 161	415	3 850	3 745	7 595	20 175	9 426	29 601	416
TREND									
2009									
October	16 413	469	3 476	3 672	7 148	20 587	7 879	28 466	386
November	15 864	449	3 479	3 744	7 223	20 506	7 769	28 275	383
December	15 187	430	3 482	3 818	7 300	20 462	7 804	28 266	379
2010									
January	14 486	416	3 499	3 882	7 381	20 446	7 992	28 438	376
February	13 888	407	3 538	3 924	7 461	20 507	8 345	28 853	375
March	13 496	402	3 591	3 933	7 523	20 647	8 706	29 352	375
April	13 320	399	3 642	3 914	7 556	20 736	8 877	29 614	376
May	13 317	397	3 684	3 881	7 565	20 690	8 818	29 507	380
June	13 418	396	3 715	3 849	7 565	20 615	8 627	29 242	385
July	13 555	397	3 734	3 825	7 559	20 483	8 420	28 903	391
August	13 691	398	3 746	3 809	7 555	20 347	8 309	28 655	397
September	13 826	401	3 757	3 796	7 553	20 243	8 285	28 528	403
October	13 948	404	3 768	3 794	7 562	20 061	8 407	28 468	409

(a) For owner occupation.

(b) Includes unsecured housing finance for owner occupation.

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

(d) Includes refinancing (see Glossary).

(e) 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
2009										
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	14 456	233	505	758	15 952	6 843	np	np	690	7 911
2010										
January	10 221	170	339	534	11 264	5 216	np	np	705	6 227
February	11 528	202	319	606	12 655	6 274	np	np	561	7 149
March	13 751	269	357	674	15 051	7 451	np	np	698	8 515
April	11 697	223	340	582	12 842	6 012	np	np	635	6 971
May	12 606	261	372	663	13 902	6 442	np	np	624	7 409
June	12 587	249	425	639	13 900	8 179	np	np	703	9 265
July	12 695	253	399	646	13 994	6 542	np	np	578	7 457
August	12 542	240	416	619	13 816	6 146	np	np	661	7 140
September	12 514	271	398	632	13 815	6 573	np	np	668	7 591
October	12 188	303	409	757	13 658	6 112	np	np	617	7 063

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
2009										
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	32 419	np	253	np	35 953	234	115	np	np	482
2010										
January	18 738	np	139	np	20 746	70	115	np	np	278
February	22 859	np	172	np	25 180	84	105	np	np	319
March	26 606	270	194	3 081	30 151	91	166	np	np	425
April	23 046	22	144	2 013	25 225	70	109	np	np	321
May	25 714	np	171	np	28 640	102	131	np	np	393
June	32 274	np	np	np	35 217	137	147	np	np	469
July	28 202	188	133	2 746	31 269	87	153	np	np	402
August	25 453	np	152	np	27 970	np	140	np	np	391
September	np	np	np	np	28 334	92	123	np	np	390
October	26 416	np	135	np	29 419	94	167	np	np	410

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

4

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>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
2009									
October	262	354	735	598	36	276	999	729	3 373
November	260	339	720	541	36	270	979	804	3 350
December	286	355	761	480	45	418	989	1 037	3 731
2010									
January	260	338	701	332	31	332	825	721	2 941
February	300	372	786	427	36	422	867	903	3 441
March	348	431	913	482	49	466	1 036	970	3 917
April	298	364	770	432	42	384	896	840	3 364
May	327	379	821	461	33	422	1 047	905	3 689
June	377	423	915	506	36	482	1 520	1 302	4 762
July	340	419	865	446	38	421	995	838	3 603
August	363	466	944	421	34	376	976	786	3 537
September	387	466	971	421	35	407	996	853	3 681
October	334	432	881	401	43	419	988	824	3 556

(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(a)	Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
2009						
October	1 592	1 958	3 549	3 162	288 307	122 000
November	1 521	2 082	3 604	2 897	289 008	123 023
December	2 053	2 127	4 181	2 876	286 532	119 175
2010						
January	1 228	2 058	3 286	2 782	286 270	118 398
February	1 733	1 975	3 708	1 980	287 955	120 098
March	2 118	2 480	4 598	2 412	290 117	119 522
April	1 619	1 988	3 607	3 819	291 397	122 258
May	1 739	1 980	3 720	3 304	291 744	122 561
June	2 225	2 278	4 503	3 271	292 915	123 754
July	1 806	2 049	3 855	2 755	293 946	123 072
August	1 548	2 055	3 603	2 881	294 048	122 864
September	1 795	2 115	3 909	2 602	295 442	122 823
October	1 556	1 951	3 507	2 673	296 372	122 726

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

6

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
2009								
October	1 144	7 272	1 268	1 710	2 004	5 678	19 077	34 050
November	1 307	8 313	1 403	1 573	1 939	5 566	20 100	33 606
December	1 316	8 142	1 491	1 985	2 462	9 302	24 699	31 992
2010								
January	712	5 945	921	1 236	1 001	5 782	15 597	30 348
February	1 139	6 578	1 010	1 330	1 257	6 297	17 611	30 129
March	1 012	8 377	1 301	1 852	1 812	5 908	20 262	30 357
April	1 127	7 578	np	1 433	1 486	np	17 897	30 467
May	1 351	8 028	1 130	1 445	1 711	6 997	20 661	31 408
June	1 066	9 657	1 305	1 985	2 265	8 518	24 797	31 979
July	977	8 672	1 352	1 337	2 296	7 281	21 915	32 679
August	1 392	7 628	1 384	1 340	2 917	6 290	20 950	32 686
September	1 241	7 257	1 018	1 458	2 472	6 509	19 955	32 315
October	857	7 185	1 285	1 591	2 823	6 586	20 327	31 172

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

7

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
2009						
October	388	np	8 099	8 885	366 656	218 967
November	357	np	7 062	11 047	362 738	218 386
December	482	np	11 254	14 531	361 403	215 161
2010						
January	278	np	5 149	8 327	359 050	214 671
February	319	np	7 569	12 602	353 693	214 093
March	425	np	9 889	11 767	351 336	212 708
April	321	np	7 328	9 495	347 790	211 196
May	393	np	7 978	10 141	345 565	210 902
June	469	np	10 420	12 234	343 605	209 438
July	402	np	9 354	10 164	342 140	207 379
August	391	np	7 020	9 132	340 103	207 571
September	390	np	8 379	10 917	336 886	204 724
October	410	np	9 092	9 123	336 781	205 574

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										
2009										
October	1 970	779	14 298	485	36	375	5 770	609	24 323	
November	1 755	731	13 754	469	36	305	6 133	623	23 805	
December	1 730	827	13 395	433	45	395	5 936	736	23 498	
2010										
January	1 235	505	9 524	317	31	298	4 543	449	16 903	
February	1 430	606	10 619	407	36	323	5 163	503	19 087	
March	1 535	730	12 786	467	49	423	6 340	696	23 026	
April	1 297	643	10 901	397	42	368	5 709	632	19 989	
May	1 366	727	11 809	422	33	701	6 298	781	22 138	
June	1 405	750	11 745	403	36	412	6 981	945	22 677	
July	1 373	727	11 894	377	38	506	5 849	589	21 351	
August	1 377	673	11 766	373	34	472	5 364	754	20 812	
September	1 357	691	11 766	401	35	508	5 473	639	20 870	
October	1 263	757	11 637	416	43	432	5 264	714	20 528	
SEASONALLY ADJUSTED										
2009										
October	1 901	772	14 152	465	32	371	5 904	609	24 206	
November	1 824	721	13 293	452	31	402	5 979	588	23 291	
December	1 692	754	12 676	434	46	350	5 815	686	22 453	
2010										
January	1 637	667	12 077	398	38	404	5 864	625	21 709	
February	1 588	657	11 483	408	37	400	5 818	631	21 022	
March	1 431	656	11 249	405	41	405	5 806	746	20 738	
April	1 361	672	11 213	403	42	427	5 902	730	20 751	
May	1 322	690	11 421	403	32	558	5 908	763	21 099	
June	1 279	694	11 409	393	36	359	5 907	637	20 714	
July	1 283	689	11 629	388	40	425	5 767	608	20 829	
August	1 296	691	11 660	396	39	507	5 329	668	20 586	
September	1 295	672	11 805	403	37	463	5 539	667	20 880	
October	1 277	800	12 084	415	43	430	5 589	721	21 358	
TREND										
2009										
October	1 781	769	13 863	469	35	378	5 876	607	23 778	
November	1 776	745	13 342	449	36	382	5 897	614	23 241	
December	1 732	716	12 739	430	38	389	5 886	630	22 560	
2010										
January	1 653	690	12 143	416	39	396	5 866	657	21 861	
February	1 554	673	11 661	407	39	406	5 864	685	21 290	
March	1 459	668	11 370	402	39	420	5 874	703	20 935	
April	1 382	669	11 269	399	38	435	5 874	706	20 772	
May	1 332	674	11 310	397	38	445	5 844	697	20 737	
June	1 303	683	11 432	396	38	451	5 781	682	20 766	
July	1 289	693	11 573	397	38	453	5 698	669	20 809	
August	1 282	704	11 706	398	38	454	5 615	663	20 860	
September	1 279	718	11 830	401	39	454	5 544	664	20 928	
October	1 278	732	11 938	404	40	452	5 486	671	21 001	

(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
2009								
October	262	354	18	101	735	900	195	1 830
November	260	339	17	104	720	937	201	1 859
December	286	355	17	102	761	1 235	243	2 238
2010								
January	260	338	16	87	701	711	153	1 564
February	300	372	17	97	786	763	185	1 734
March	348	431	18	116	913	1 035	241	2 189
April	298	364	15	92	770	820	207	1 797
May	327	379	14	101	821	834	242	1 897
June	377	423	16	99	915	1 068	254	2 237
July	340	419	14	92	865	761	260	1 886
August	363	466	16	99	944	778	258	1 980
September	387	466	18	100	971	825	255	2 051
October	334	432	17	99	881	706	276	1 863

(a) Excludes revolving credit.

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

Month	MOTOR CARS AND STATION WAGONS		LIGHT TRUCKS		HEAVY TRUCKS		OTHER MOTOR VEHICLES	ALL VEHICLES
	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>Total</i>	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2009								
October	136	35	13	np	np	np	np	195
November	149	32	12	np	2	1	np	201
December	177	36	12	4	6	np	np	243
2010								
January	106	29	7	np	1	np	np	153
February	129	38	8	3	3	4	1	185
March	171	41	14	5	4	5	1	241
April	148	37	14	np	2	2	np	207
May	171	44	16	np	3	3	np	242
June	175	48	19	4	3	3	2	254
July	177	55	17	np	3	2	np	260
August	178	48	18	6	2	2	3	258
September	181	46	17	np	2	3	np	255
October	189	46	15	np	np	np	np	276

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

Month	COMMERCIAL FINANCE(b)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	<i>Transport equipment</i>	<i>Other plant and equipment</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m
2009					
October	93	717	811	192	1 003
November	143	493	636	156	791
December	135	616	750	239	989
2010					
January	101	424	525	125	650
February	85	482	567	134	701
March	141	676	817	184	1 001
April	112	501	613	113	726
May	90	521	611	151	762
June	175	743	918	215	1 133
July	90	486	576	142	718
August	98	464	562	133	695
September	90	544	633	134	767
October	113	772	885	134	1 019

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

(b) Excludes revolving credit.

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

Month	Transport equipment(a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manu- facturing 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
2009									
October	2	5	4	7	67	55	7	45	192
November	np	4	3	3	34	67	9	np	156
December	np	6	2	6	57	64	10	np	239
2010									
January	np	4	3	3	40	np	np	np	125
February	np	1	3	7	47	np	np	np	134
March	np	6	3	4	88	42	19	np	184
April	np	3	3	4	47	np	np	np	113
May	np	5	7	7	55	35	8	np	151
June	5	8	12	6	79	39	24	42	215
July	np	5	2	2	63	34	6	np	142
August	np	4	2	2	41	48	4	np	133
September	1	4	4	3	57	35	9	22	134
October	2	19	4	4	47	37	6	16	134

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 Estimation of seasonal adjustment and trading day factors that reflect the full effect of recent developments is not possible until a sufficient number of years of data have been collected. When changes are occurring in the seasonal patterns, larger revisions to the seasonally adjusted series can be expected at the time of the annual seasonal

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

re-analysis. Accordingly, the trend estimate data provide a more reliable indicator of underlying movement in housing finance commitments. (See paragraphs 23 and 24 for further information on trend estimates).

21 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.

22 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

23 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>.

24 While the smoothing technique described in paragraph 23 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

25 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

26 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

27 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)

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

■ *Sales of New Motor Vehicles, Australia Electronic Publication* (cat. no. 9314.0).

28 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>>.

29 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

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 semidetached 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■ 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).
Motorcycles	Includes two and three wheeled motorcycles and mopeds, scooters and motorcycles 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.
Real Property	Comprises both residential and non-residential land, buildings and fixed structures.
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 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.
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■ 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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