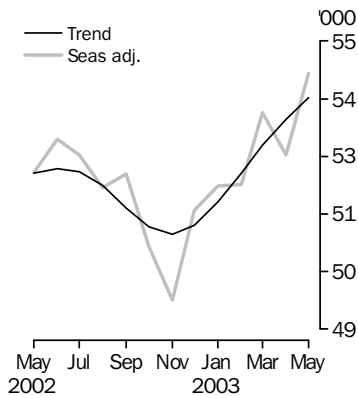


# HOUSING FINANCE FOR OWNER OCCUPATION

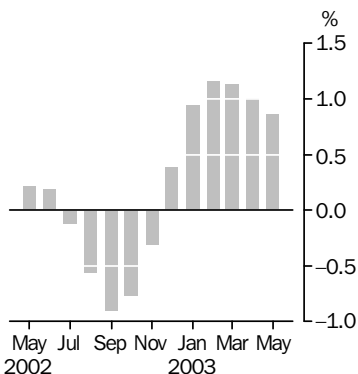
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) FRI 11 JUL 2003

## Housing finance Number of dwellings



## Number of dwellings Trend estimates % change



## KEY FIGURES

	May 2003 no.	Apr 2003 to May 2003 % change	May 2002 to May 2003 % change
<b>TREND ESTIMATES</b>			
<b>Total number of dwelling commitments</b>	<b>53 826</b>	<b>0.9</b>	<b>3.0</b>
Construction of dwellings	5 595	2.2	-6.2
Purchase of new dwellings	1 573	0.5	8.0
Purchase of established dwellings(a)	46 658	0.7	4.1
<b>SEASONALLY ADJUSTED ESTIMATES</b>			
<b>Total number of dwelling commitments</b>	<b>54 333</b>	<b>3.2</b>	<b>3.9</b>
Construction of dwellings	5 489	-2.1	-3.7
Purchase of new dwellings	1 613	5.4	6.6
Purchase of established dwellings(a)	47 231	3.8	4.8

(a) Includes refinancing.

## KEY POINTS

### TREND ESTIMATES

- The trend series for the number of housing finance commitments rose by 0.9 % in May 2003. The trend series, excluding refinancing of existing loans, rose by 0.6% in May.
- The construction finance trend series rose by 2.2%, the fifth monthly increase after falls in the series throughout 2002. The purchase of new dwellings trend increased by 0.5%.
- Commitments for the established dwellings trend series rose by 0.7% in May 2003, while the refinancing trend increased by 1.5%.

### SEASONALLY ADJUSTED ESTIMATES

- The number of housing finance commitments (seasonally adjusted) increased by 3.2% in May 2003. The purchase of established dwellings excluding refinancing rose by 5.7% and purchase of new dwellings rose by 5.4%. There was no change in refinancing of established dwellings, while construction of dwellings fell by 2.1% .
- 27.5% of all finance approvals were for the refinancing of an existing loan.

### ORIGINAL ESTIMATES

- 14.4% of all loans were to first home buyers, this percentage is at its lowest level since the series began in July 1991, while 7.2% of all loans were fixed interest rate for two years or longer (up from 7.1% in April).
- The average loan value was \$179,200 in May 2003, up from the April figure of \$176,800. The average loan in May 2003 is 13.1% larger than in May 2002.

## INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Glyn Prichard on Canberra 02 6252 6257.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
June 2003	8 August 2003
July 2003	9 September 2003
August 2003	10 October 2003
September 2003	10 November 2003
October 2003	10 December 2003
November 2003	19 January 2004



## CHANGES IN THIS ISSUE

There are no changes in this issue.



## ABBREVIATIONS

ABS Australian Bureau of Statistics  
APRA Australian Prudential Regulation Authority  
n.e.c. not elsewhere classified

Dennis Trewin  
Australian Statistician

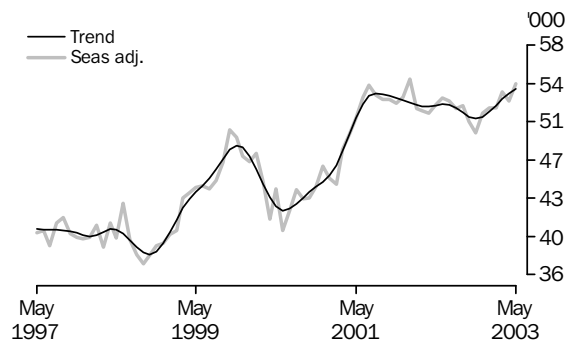
# HOUSING FINANCE SUMMARY OF FINDINGS

## DWELLINGS FINANCED

### *Number financed including refinancing*

Total housing commitments (seasonally adjusted) rose by 3.2% in May 2003, arising from an increase in the finance for the purchase of established dwellings other than for refinancing (up 1737, 5.7%) and the purchase of new dwellings (up 83, 5.4%), while this was partly offset by a decreases in construction of dwellings (down 117, -2.1%). Refinancing was unchanged. The total housing commitments trend increased in May (up 460, 0.9%).

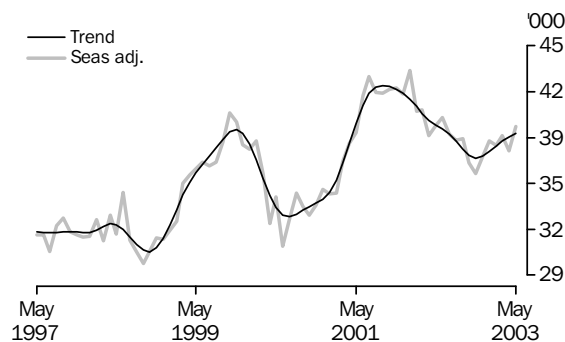
There were increases (seasonally adjusted) in Western Australia (up 367, 5.6%), Victoria (up 347, 2.9%), NSW (up 298, 1.8%), South Australia (up 129, 2.8%), NT (up 58, 13.8%) and Tasmania (up 55, 5.0%), while decreases were in Queensland (down 80, -0.7%) and ACT (down 41, -5.1%). The trend increased in all states except the ACT.



The percentage of first home buyers declined to 14.4% in May 2003, continuing the general decline of the past year.

### *Number financed excluding refinancing*

The number of dwellings financed excluding refinancing (seasonally adjusted) increased in May 2003 (up 1703, 4.5%), after a 2.7% fall in April. The trend series increased by 0.6% in May.



### *Value of commitments*

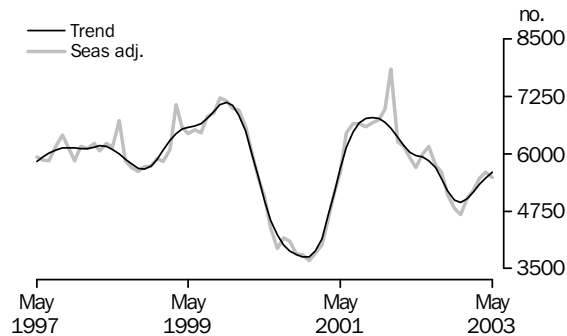
The total value of commitments (seasonally adjusted) rose by 2.8% in May 2003, after a rise of 3.6% in April. The trend series increased 1.9%, continuing the run of increases from March 2002.

# HOUSING FINANCE SUMMARY OF FINDINGS *continued*

## PURPOSE OF FINANCE

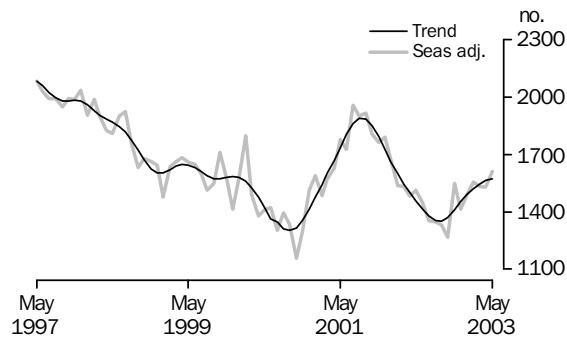
### *Construction of dwellings*

Construction commitments (seasonally adjusted) fell by 2.1% in May 2003, after an increase of 2.6% in April 2003. The trend rose 2.2% in May 2003.



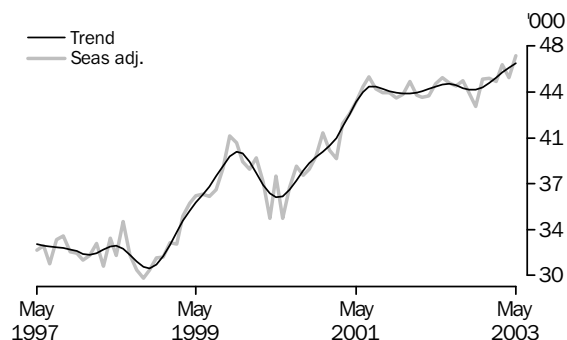
### *Purchase of new dwellings*

The number of finance commitments for the purchase of new dwellings (seasonally adjusted) rose by 5.4% in May 2003, after a decrease of 0.2% in April 2003. The trend series rose 0.5% in May after larger increases over the previous seven months.



### *Purchase of established dwellings*

Finance for the purchase of established dwellings in May rose 0.7% (trend) and by 3.8% (seasonally adjusted). Seasonally adjusted refinancing was unchanged while other financing commitments for established dwellings increased by 1738 over May 2003 (up 5.7%).

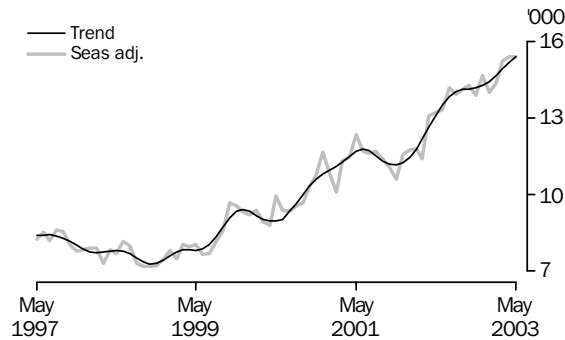


# HOUSING FINANCE SUMMARY OF FINDINGS *continued*

## Refinancing

The number of commitments for refinancing (seasonally adjusted) was unchanged in May 2003 after an increase of 1.0% in April. The trend series showed an increase (1.5%), continuing the monthly increases since December 2001.

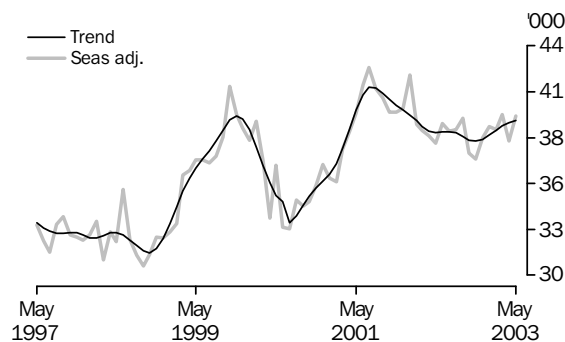
In May, 27.5% of all loans (seasonally adjusted) were for the refinancing of existing dwellings.



## TYPE OF LENDER

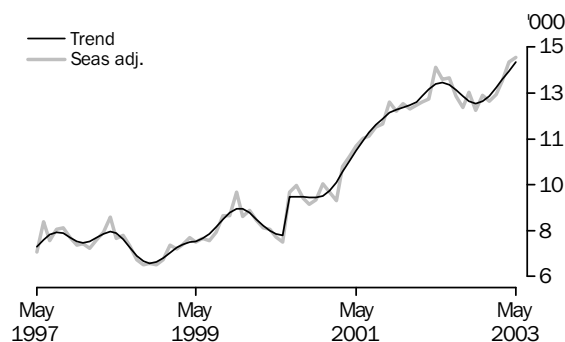
### Banks

Bank finance (seasonally adjusted) increased by 4.0% in May 2003, after a decrease of 4.1% in April. The trend series rose 0.3% in May.



### Non-banks

Non-bank commitments (seasonally adjusted) rose by 1.3% in May 2003, after an increase of 5.3% in April. There were seasonally adjusted increases recorded for wholesale lenders (4.4%) while permanent building society activity declined by 3.4%, offsetting the 3.6% increase in April. The non-bank trend rose by 2.4% in May 2003.



## HOUSING FINANCE COMMITMENTS(a), By Purpose: Australia

Month	Construction of dwellings		Purchase of new dwellings		Purchase of established dwellings(b)		Total		Refinancing of established dwellings	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
<b>2002</b>										
May	6 435	1 007	1 658	306	50 942	8 040	<b>59 035</b>	9 352	14 635	1 991
June	5 803	897	1 415	250	44 447	6 962	<b>51 665</b>	8 108	13 149	1 797
July	6 934	1 086	1 468	268	47 779	7 454	<b>56 181</b>	8 808	14 856	2 047
August	5 951	948	1 373	268	44 775	7 227	<b>52 099</b>	8 444	13 718	1 984
September	5 340	845	1 340	248	42 151	6 965	<b>48 831</b>	8 058	12 803	1 905
October	5 536	906	1 358	248	46 428	7 628	<b>53 322</b>	8 782	14 334	2 084
November	5 030	856	1 574	300	45 178	7 514	<b>51 782</b>	8 670	13 901	2 031
December	4 794	809	1 385	270	43 494	7 408	<b>49 673</b>	8 486	13 326	2 004
<b>2003</b>										
January	4 208	710	1 314	255	39 482	6 620	<b>45 004</b>	7 585	11 562	1 679
February	4 706	822	1 411	267	43 055	7 192	<b>49 172</b>	8 281	13 455	2 019
March	5 282	913	1 551	308	48 239	8 238	<b>55 072</b>	9 459	15 408	2 362
April	5 242	921	1 444	297	45 904	8 078	<b>52 590</b>	9 296	14 476	2 228
May	5 886	1 067	1 691	367	50 708	9 012	<b>58 285</b>	10 446	16 162	2 474
SEASONALLY ADJUSTED										
<b>2002</b>										
May	5 699	917	1 513	277	45 061	7 043	<b>52 273</b>	8 237	12 872	1 765
June	6 001	927	1 448	253	45 509	7 163	<b>52 958</b>	8 343	12 976	1 752
July	6 166	954	1 355	245	45 102	7 116	<b>52 623</b>	8 315	13 799	1 899
August	5 756	926	1 348	261	44 846	7 275	<b>51 950</b>	8 463	13 543	1 967
September	5 605	904	1 331	249	45 298	7 431	<b>52 234</b>	8 584	13 738	2 043
October	5 104	826	1 267	240	44 346	7 471	<b>50 717</b>	8 537	13 872	2 025
November	4 806	827	1 548	286	43 247	7 214	<b>49 601</b>	8 328	13 513	2 001
December	4 677	781	1 415	276	45 385	7 560	<b>51 477</b>	8 618	14 248	2 142
<b>2003</b>										
January	5 044	857	1 493	294	45 443	7 579	<b>51 980</b>	8 730	13 633	2 008
February	5 202	908	1 558	291	45 258	7 629	<b>52 018</b>	8 828	13 973	2 095
March	5 463	914	1 533	307	46 516	7 831	<b>53 512</b>	9 052	14 794	2 241
April	5 606	973	1 530	315	45 493	8 088	<b>52 629</b>	9 376	14 947	2 262
May	5 489	1 013	1 613	351	47 231	8 272	<b>54 333</b>	9 636	14 948	2 307
TREND										
<b>2002</b>										
May	5 965	921	1 457	261	44 828	7 007	<b>52 250</b>	8 189	12 761	1 733
June	5 930	925	1 415	257	45 006	7 097	<b>52 351</b>	8 280	13 146	1 811
July	5 856	924	1 380	253	45 052	7 191	<b>52 288</b>	8 368	13 458	1 888
August	5 695	908	1 356	252	44 944	7 273	<b>51 995</b>	8 433	13 653	1 953
September	5 455	881	1 351	254	44 721	7 333	<b>51 527</b>	8 468	13 734	1 997
October	5 194	853	1 372	259	44 565	7 378	<b>51 131</b>	8 490	13 755	2 026
November	4 997	832	1 409	268	44 565	7 420	<b>50 971</b>	8 520	13 790	2 046
December	4 938	832	1 454	277	44 775	7 486	<b>51 167</b>	8 596	13 870	2 065
<b>2003</b>										
January	5 021	854	1 492	288	45 134	7 585	<b>51 647</b>	8 726	14 033	2 096
February	5 172	888	1 521	299	45 552	7 717	<b>52 245</b>	8 903	14 255	2 140
March	5 331	924	1 546	310	45 958	7 866	<b>52 835</b>	9 100	14 498	2 190
April	5 473	960	1 565	321	46 328	8 013	<b>53 366</b>	9 294	14 734	2 240
May	5 595	991	1 573	330	46 658	8 153	<b>53 826</b>	9 473	14 950	2 284

(a) Excludes alterations and additions.

(b) Includes refinancing.

## HOUSING FINANCE COMMITMENTS(a), By Purpose: Australia (Percentage Change)

Month	Construction of dwellings		Purchase of new dwellings		Purchase of established dwellings(b)		Total	Refinancing of established dwellings		
	no.	value	no.	value	no.	value		no.	value	
ORIGINAL (% change from previous month)										
<b>2002</b>										
May	14.6	17.1	15.4	20.9	13.8	13.6	<b>14.0</b>	14.2	18.8	17.5
June	-9.8	-11.0	-14.7	-18.3	-12.7	-13.4	<b>-12.5</b>	-13.3	-10.2	-9.7
July	19.5	21.1	3.7	7.4	7.5	7.1	<b>8.7</b>	8.6	13.0	13.9
August	-14.2	-12.7	-6.5	—	-6.3	-3.0	<b>-7.3</b>	-4.1	-7.7	-3.1
September	-10.3	-10.9	-2.4	-7.4	-5.9	-3.6	<b>-6.3</b>	-4.6	-6.7	-4.0
October	3.7	7.2	1.3	0.1	10.1	9.5	<b>9.2</b>	9.0	12.0	9.4
November	-9.1	-5.5	15.9	20.7	-2.7	-1.5	<b>-2.9</b>	-1.3	-3.0	-2.6
December	-4.7	-5.5	-12.0	-10.1	-3.7	-1.4	<b>-4.1</b>	-2.1	-4.1	-1.3
<b>2003</b>										
January	-12.2	-12.3	-5.1	-5.4	-9.2	-10.6	<b>-9.4</b>	-10.6	-13.2	-16.2
February	11.8	15.8	7.4	4.6	9.0	8.6	<b>9.3</b>	9.2	16.4	20.3
March	12.2	11.1	9.9	15.6	12.0	14.5	<b>12.0</b>	14.2	14.5	17.0
April	-0.8	0.9	-6.9	-3.8	-4.8	-1.9	<b>-4.5</b>	-1.7	-6.0	-5.7
May	12.3	15.8	17.1	23.8	10.5	11.6	<b>10.8</b>	12.4	11.6	11.1
SEASONALLY ADJUSTED (% change from previous month)										
<b>2002</b>										
May	-3.7	2.7	2.0	4.3	2.2	3.1	<b>1.5</b>	3.1	0.9	2.5
June	5.3	1.1	-4.3	-8.7	1.0	1.7	<b>1.3</b>	1.3	0.8	-0.7
July	2.7	2.9	-6.4	-3.0	-0.9	-0.7	<b>-0.6</b>	-0.3	6.3	8.4
August	-6.6	-2.9	-0.5	6.5	-0.6	2.2	<b>-1.3</b>	1.8	-1.9	3.5
September	-2.6	-2.3	-1.3	-4.5	1.0	2.1	<b>0.5</b>	1.4	1.4	3.9
October	-8.9	-8.6	-4.8	-3.8	-2.1	0.5	<b>-2.9</b>	-0.5	1.0	-0.9
November	-5.8	0.1	22.2	19.4	-2.5	-3.4	<b>-2.2</b>	-2.5	-2.6	-1.1
December	-2.7	-5.5	-8.6	-3.6	4.9	4.8	<b>3.8</b>	3.5	5.4	7.0
<b>2003</b>										
January	7.8	9.7	5.5	6.6	0.1	0.2	<b>1.0</b>	1.3	-4.3	-6.3
February	3.1	5.9	4.4	-1.2	-0.4	0.7	<b>0.1</b>	1.1	2.5	4.4
March	5.0	0.7	-1.6	5.6	2.8	2.6	<b>2.9</b>	2.5	5.9	6.9
April	2.6	6.4	-0.2	2.6	-2.2	3.3	<b>-1.7</b>	3.6	1.0	0.9
May	-2.1	4.1	5.4	11.5	3.8	2.3	<b>3.2</b>	2.8	—	2.0
TREND (% change from previous month)										
<b>2002</b>										
May	-1.2	—	-2.9	-1.8	0.5	1.1	<b>0.2</b>	0.9	3.5	4.5
June	-0.6	0.5	-2.9	-1.6	0.4	1.3	<b>0.2</b>	1.1	3.0	4.5
July	-1.2	-0.2	-2.5	-1.3	0.1	1.3	<b>-0.1</b>	1.1	2.4	4.3
August	-2.7	-1.7	-1.7	-0.6	-0.2	1.1	<b>-0.6</b>	0.8	1.5	3.4
September	-4.2	-2.9	-0.4	0.7	-0.5	0.8	<b>-0.9</b>	0.4	0.6	2.3
October	-4.8	-3.3	1.6	2.3	-0.3	0.6	<b>-0.8</b>	0.3	0.2	1.4
November	-3.8	-2.4	2.7	3.1	—	0.6	<b>-0.3</b>	0.4	0.3	1.0
December	-1.2	—	3.2	3.7	0.5	0.9	<b>0.4</b>	0.9	0.6	1.0
<b>2003</b>										
January	1.7	2.5	2.6	3.8	0.8	1.3	<b>0.9</b>	1.5	1.2	1.5
February	3.0	4.0	1.9	3.9	0.9	1.7	<b>1.2</b>	2.0	1.6	2.1
March	3.1	4.2	1.6	3.7	0.9	1.9	<b>1.1</b>	2.2	1.7	2.4
April	2.7	3.8	1.2	3.6	0.8	1.9	<b>1.0</b>	2.1	1.6	2.3
May	2.2	3.2	0.5	2.7	0.7	1.7	<b>0.9</b>	1.9	1.5	2.0

— nil or rounded to zero (including null cells)

(a) Excludes alterations and additions.

(b) Includes refinancing.

## HOUSING FINANCE COMMITMENTS(a), By Lender: Australia

Month	Banks		Non-banks(b)		Total		Permanent building societies		Wholesale lenders n.e.c.	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
<b>2002</b>										
May	43 075	6 950	15 960	2 403	<b>59 035</b>	9 352	2 758	376	9 345	1 539
June	38 230	6 127	13 435	1 981	<b>51 665</b>	8 108	2 118	293	7 945	1 258
July	41 375	6 645	14 806	2 163	<b>56 181</b>	8 808	2 299	310	8 973	1 410
August	38 663	6 396	13 436	2 048	<b>52 099</b>	8 444	2 049	281	8 243	1 353
September	36 538	6 183	12 293	1 875	<b>48 831</b>	8 058	1 778	248	7 651	1 272
October	39 665	6 725	13 657	2 057	<b>53 322</b>	8 782	2 264	316	8 270	1 345
November	38 901	6 788	12 881	1 882	<b>51 782</b>	8 670	2 119	300	7 681	1 204
December	37 450	6 653	12 223	1 833	<b>49 673</b>	8 486	1 923	266	7 195	1 140
<b>2003</b>										
January	33 887	5 964	11 117	1 621	<b>45 004</b>	7 585	1 740	242	6 541	1 013
February	36 502	6 392	12 670	1 888	<b>49 172</b>	8 281	2 113	304	7 603	1 205
March	40 784	7 300	14 288	2 159	<b>55 072</b>	9 459	2 237	321	8 935	1 430
April	38 661	7 181	13 929	2 115	<b>52 590</b>	9 296	2 265	342	8 366	1 342
May	42 740	8 036	15 545	2 410	<b>58 285</b>	10 446	2 391	370	9 483	1 528
SEASONALLY ADJUSTED										
<b>2002</b>										
May	38 057	6 130	14 216	2 107	<b>52 273</b>	8 237	2 378	329	8 252	1 349
June	39 238	6 321	13 720	2 022	<b>52 958</b>	8 343	2 202	295	8 216	1 295
July	38 819	6 295	13 804	2 021	<b>52 623</b>	8 315	2 178	294	7 952	1 287
August	38 880	6 470	13 070	1 993	<b>51 950</b>	8 463	1 972	270	7 878	1 271
September	39 591	6 659	12 643	1 925	<b>52 234</b>	8 584	1 824	255	7 642	1 259
October	37 476	6 519	13 241	2 019	<b>50 717</b>	8 537	2 157	301	7 875	1 304
November	37 099	6 546	12 502	1 782	<b>49 601</b>	8 328	1 989	283	7 257	1 146
December	38 371	6 611	13 106	2 007	<b>51 477</b>	8 618	2 186	296	8 163	1 303
<b>2003</b>										
January	39 097	6 797	12 883	1 933	<b>51 980</b>	8 730	2 183	311	7 767	1 248
February	38 877	6 837	13 141	1 991	<b>52 018</b>	8 828	2 126	308	8 358	1 308
March	39 825	6 974	13 687	2 078	<b>53 512</b>	9 052	2 185	317	8 804	1 392
April	38 211	7 237	14 418	2 139	<b>52 629</b>	9 376	2 264	343	8 447	1 331
May	39 725	7 417	14 608	2 219	<b>54 333</b>	9 636	2 187	344	8 821	1 412
TREND										
<b>2002</b>										
May	38 708	6 187	13 542	2 002	<b>52 250</b>	8 189	2 234	302	8 033	1 283
June	38 745	6 261	13 606	2 018	<b>52 351</b>	8 280	2 189	297	8 045	1 292
July	38 770	6 353	13 518	2 015	<b>52 288</b>	8 368	2 123	290	7 993	1 292
August	38 684	6 440	13 311	1 993	<b>51 995</b>	8 433	2 056	282	7 885	1 281
September	38 460	6 508	13 067	1 961	<b>51 527</b>	8 468	2 018	278	7 756	1 262
October	38 264	6 557	12 867	1 932	<b>51 131</b>	8 490	2 018	280	7 685	1 248
November	38 187	6 600	12 784	1 920	<b>50 971</b>	8 520	2 055	286	7 719	1 246
December	38 293	6 663	12 874	1 933	<b>51 167</b>	8 596	2 106	296	7 857	1 258
<b>2003</b>										
January	38 553	6 759	13 094	1 967	<b>51 647</b>	8 726	2 150	305	8 057	1 281
February	38 853	6 888	13 392	2 016	<b>52 245</b>	8 903	2 177	315	8 272	1 310
March	39 106	7 031	13 729	2 070	<b>52 835</b>	9 100	2 195	324	8 472	1 340
April	39 305	7 172	14 061	2 122	<b>53 366</b>	9 294	2 207	332	8 642	1 367
May	39 425	7 295	14 401	2 178	<b>53 826</b>	9 473	2 225	341	8 798	1 395

(a) Excludes alterations and additions. Includes refinancing.

(b) Includes Permanent Building Societies and Wholesale Lenders n.e.c.



## HOUSING FINANCE COMMITMENTS (a), By Lender: Australia (Percentage Change)

Month	Banks		Non-banks(b)		Total		Permanent building societies		Wholesale lenders n.e.c.	
	no.	value	no.	value	no.	value	no.	value	no.	value
ORIGINAL (% change from previous month)										
<b>2002</b>										
May	11.1	11.8	22.4	21.5	<b>14.0</b>	14.2	19.2	17.9	20.3	22.0
June	-11.2	-11.8	-15.8	-17.5	<b>-12.5</b>	-13.3	-23.2	-22.0	-15.0	-18.2
July	8.2	8.5	10.2	9.2	<b>8.7</b>	8.6	8.5	5.9	12.9	12.1
August	-6.6	-3.7	-9.3	-5.3	<b>-7.3</b>	-4.1	-10.9	-9.4	-8.1	-4.0
September	-5.5	-3.3	-8.5	-8.4	<b>-6.3</b>	-4.6	-13.2	-11.9	-7.2	-6.0
October	8.6	8.8	11.1	9.7	<b>9.2</b>	9.0	27.3	27.5	8.1	5.8
November	-1.9	0.9	-5.7	-8.5	<b>-2.9</b>	-1.3	-6.4	-4.9	-7.1	-10.5
December	-3.7	-2.0	-5.1	-2.6	<b>-4.1</b>	-2.1	-9.2	-11.5	-6.3	-5.3
<b>2003</b>										
January	-9.5	-10.4	-9.0	-11.6	<b>-9.4</b>	-10.6	-9.5	-8.8	-9.1	-11.2
February	7.7	7.2	14.0	16.5	<b>9.3</b>	9.2	21.4	25.2	16.2	18.9
March	11.7	14.2	12.8	14.4	<b>12.0</b>	14.2	5.9	5.8	17.5	18.7
April	-5.2	-1.6	-2.5	-2.1	<b>-4.5</b>	-1.7	1.3	6.5	-6.4	-6.1
May	10.6	11.9	11.6	14.0	<b>10.8</b>	12.4	5.6	8.2	13.4	13.8
SEASONALLY ADJUSTED (% change from previous month)										
<b>2002</b>										
May	-1.3	0.9	9.6	10.1	<b>1.5</b>	3.1	3.5	6.0	3.9	6.9
June	3.1	3.1	-3.5	-4.0	<b>1.3</b>	1.3	-7.4	-10.5	-0.4	-4.0
July	-1.1	-0.4	0.6	-0.1	<b>-0.6</b>	-0.3	-1.1	-0.4	-3.2	-0.6
August	0.2	2.8	-5.3	-1.4	<b>-1.3</b>	1.8	-9.4	-7.9	-0.9	-1.3
September	1.8	2.9	-3.3	-3.4	<b>0.5</b>	1.4	-7.5	-5.8	-3.0	-0.9
October	-5.3	-2.1	4.7	4.9	<b>-2.9</b>	-0.5	18.2	18.2	3.1	3.6
November	-1.0	0.4	-5.6	-11.7	<b>-2.2</b>	-2.5	-7.8	-5.9	-7.9	-12.1
December	3.4	1.0	4.8	12.6	<b>3.8</b>	3.5	9.9	4.4	12.5	13.7
<b>2003</b>										
January	1.9	2.8	-1.7	-3.7	<b>1.0</b>	1.3	-0.1	5.3	-4.9	-4.2
February	-0.6	0.6	2.0	3.0	<b>0.1</b>	1.1	-2.6	-0.9	7.6	4.8
March	2.4	2.0	4.2	4.4	<b>2.9</b>	2.5	2.8	2.9	5.3	6.5
April	-4.1	3.8	5.3	3.0	<b>-1.7</b>	3.6	3.6	8.1	-4.1	-4.4
May	4.0	2.5	1.3	3.7	<b>3.2</b>	2.8	-3.4	0.3	4.4	6.1
TREND (% change from previous month)										
<b>2002</b>										
May	-0.2	0.6	1.6	1.7	<b>0.2</b>	0.9	-0.8	-0.4	1.1	1.4
June	0.1	1.2	0.5	0.8	<b>0.2</b>	1.1	-2.0	-1.6	0.2	0.7
July	0.1	1.5	-0.6	-0.2	<b>-0.1</b>	1.1	-3.0	-2.6	-0.7	—
August	-0.2	1.4	-1.5	-1.1	<b>-0.6</b>	0.8	-3.1	-2.6	-1.4	-0.9
September	-0.6	1.0	-1.8	-1.6	<b>-0.9</b>	0.4	-1.9	-1.3	-1.6	-1.5
October	-0.5	0.8	-1.5	-1.4	<b>-0.8</b>	0.3	—	0.5	-0.9	-1.2
November	-0.2	0.6	-0.6	-0.6	<b>-0.3</b>	0.4	1.8	2.3	0.4	-0.1
December	0.3	0.9	0.7	0.7	<b>0.4</b>	0.9	2.5	3.2	1.8	1.0
<b>2003</b>										
January	0.7	1.5	1.7	1.8	<b>0.9</b>	1.5	2.1	3.3	2.5	1.8
February	0.8	1.9	2.3	2.5	<b>1.2</b>	2.0	1.3	3.1	2.7	2.3
March	0.7	2.1	2.5	2.7	<b>1.1</b>	2.2	0.8	2.9	2.4	2.3
April	0.5	2.0	2.4	2.5	<b>1.0</b>	2.1	0.5	2.6	2.0	2.0
May	0.3	1.7	2.4	2.6	<b>0.9</b>	1.9	0.8	2.6	1.8	2.1

— nil or rounded to zero (including null cells)

(a) Excludes alterations and additions. Includes refinancing.

(b) Includes Permanent Building Societies and Wholesale Lenders n.e.c.

## HOUSING FINANCE COMMITMENTS(a), By State/Territory: (Number)

<i>Month</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Total</i>
<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>
ORIGINAL									
<b>2002</b>									
May	20 016	13 498	10 885	4 880	7 060	1 303	382	1 011	<b>59 035</b>
June	17 464	11 780	9 375	4 681	6 172	1 022	326	845	<b>51 665</b>
July	18 653	13 151	10 360	4 988	6 781	1 115	323	810	<b>56 181</b>
August	17 635	12 419	9 610	4 166	6 138	1 114	273	744	<b>52 099</b>
September	16 496	11 431	9 320	3 825	5 728	990	256	785	<b>48 831</b>
October	17 280	12 639	10 351	4 329	6 417	1 158	256	892	<b>53 322</b>
November	16 666	12 187	10 071	4 336	6 147	1 153	313	909	<b>51 782</b>
December	15 496	12 052	9 473	4 322	5 934	1 174	364	858	<b>49 673</b>
<b>2003</b>									
January	13 824	10 752	8 946	3 765	5 785	977	254	701	<b>45 004</b>
February	15 753	10 894	10 096	4 112	6 076	1 015	333	893	<b>49 172</b>
March	17 501	12 163	11 670	4 814	6 588	1 152	408	776	<b>55 072</b>
April	16 862	11 804	10 596	4 583	6 432	1 074	437	802	<b>52 590</b>
May	18 916	12 989	11 323	4 944	7 554	1 283	474	802	<b>58 285</b>
SEASONALLY ADJUSTED (b)									
<b>2002</b>									
May	17 083	12 037	10 021	4 508	6 238	1 113	362	893	<b>52 273</b>
June	17 604	12 127	9 760	4 671	6 344	1 097	354	868	<b>52 958</b>
July	17 332	12 417	9 733	4 711	6 392	1 117	315	791	<b>52 623</b>
August	17 411	12 239	9 710	4 367	6 235	1 076	292	777	<b>51 950</b>
September	17 463	12 301	9 716	4 171	6 323	1 076	272	807	<b>52 234</b>
October	16 929	11 589	9 649	4 261	6 301	1 104	233	833	<b>50 717</b>
November	15 754	11 806	9 650	4 038	5 782	1 099	314	891	<b>49 601</b>
December	16 664	12 212	9 984	4 128	6 340	1 226	350	896	<b>51 477</b>
<b>2003</b>									
January	16 951	12 279	10 348	4 233	6 327	1 102	284	790	<b>51 980</b>
February	17 103	11 484	10 292	4 321	6 065	1 019	330	901	<b>52 018</b>
March	16 670	12 335	11 005	4 728	6 292	1 106	390	765	<b>53 512</b>
April	16 638	11 874	10 927	4 634	6 576	1 098	421	798	<b>52 629</b>
May	16 936	12 221	10 847	4 763	6 943	1 153	479	757	<b>54 333</b>
TREND (b)									
<b>2002</b>									
May	17 411	11 940	9 830	4 448	6 224	1 081	344	828	<b>52 250</b>
June	17 412	12 083	9 807	4 504	6 260	1 083	329	832	<b>52 351</b>
July	17 373	12 165	9 758	4 500	6 289	1 087	312	828	<b>52 288</b>
August	17 242	12 176	9 703	4 427	6 287	1 096	296	822	<b>51 995</b>
September	17 049	12 119	9 668	4 307	6 251	1 105	284	824	<b>51 527</b>
October	16 854	12 039	9 695	4 193	6 200	1 113	280	836	<b>51 131</b>
November	16 701	11 973	9 811	4 136	6 152	1 117	285	851	<b>50 971</b>
December	16 645	11 955	10 005	4 170	6 146	1 116	301	858	<b>51 167</b>
<b>2003</b>									
January	16 680	11 975	10 241	4 273	6 194	1 111	326	850	<b>51 647</b>
February	16 753	12 008	10 481	4 401	6 286	1 104	354	832	<b>52 245</b>
March	16 816	12 036	10 694	4 529	6 407	1 101	384	811	<b>52 835</b>
April	16 857	12 068	10 870	4 645	6 539	1 102	414	790	<b>53 366</b>
May	16 910	12 077	11 001	4 753	6 684	1 106	439	771	<b>53 826</b>

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of states and territories may not equal Australian total (see paragraph 19 in Explanatory Notes).

## HOUSING FINANCE COMMITMENTS (a), By State/Territory: (Percentage Change)

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL (% change from previous month)									
<b>2002</b>									
May	11.3	15.9	11.7	18.7	14.8	29.7	12.0	23.6	<b>14.0</b>
June	-12.7	-12.7	-13.9	-4.1	-12.6	-21.6	-14.7	-16.4	<b>-12.5</b>
July	6.8	11.6	10.5	6.6	9.9	9.1	-0.9	-4.1	<b>8.7</b>
August	-5.5	-5.6	-7.2	-16.5	-9.5	-0.1	-15.5	-8.1	<b>-7.3</b>
September	-6.5	-8.0	-3.0	-8.2	-6.7	-11.1	-6.2	5.5	<b>-6.3</b>
October	4.8	10.6	11.1	13.2	12.0	17.0	—	13.6	<b>9.2</b>
November	-3.6	-3.6	-2.7	0.2	-4.2	-0.4	22.3	1.9	<b>-2.9</b>
December	-7.0	-1.1	-5.9	-0.3	-3.5	1.8	16.3	-5.6	<b>-4.1</b>
<b>2003</b>									
January	-10.8	-10.8	-5.6	-12.9	-2.5	-16.8	-30.2	-18.3	<b>-9.4</b>
February	14.0	1.3	12.9	9.2	5.0	3.9	31.1	27.4	<b>9.3</b>
March	11.1	11.6	15.6	17.1	8.4	13.5	22.5	-13.1	<b>12.0</b>
April	-3.7	-3.0	-9.2	-4.8	-2.4	-6.8	7.1	3.4	<b>-4.5</b>
May	12.2	10.0	6.9	7.9	17.4	19.5	8.5	—	<b>10.8</b>
SEASONALLY ADJUSTED (% change from previous month)									
<b>2002</b>									
May	-1.0	5.0	1.0	8.6	3.5	10.0	4.1	9.4	<b>1.5</b>
June	3.1	0.7	-2.6	3.6	1.7	-1.4	-2.3	-2.8	<b>1.3</b>
July	-1.5	2.4	-0.3	0.9	0.7	1.9	-10.9	-8.9	<b>-0.6</b>
August	0.5	-1.4	-0.2	-7.3	-2.5	-3.7	-7.3	-1.8	<b>-1.3</b>
September	0.3	0.5	0.1	-4.5	1.4	0.1	-6.8	3.9	<b>0.5</b>
October	-3.1	-5.8	-0.7	2.2	-0.3	2.5	-14.6	3.3	<b>-2.9</b>
November	-6.9	1.9	—	-5.2	-8.2	-0.4	35.1	6.9	<b>-2.2</b>
December	5.8	3.4	3.5	2.2	9.7	11.5	11.3	0.6	<b>3.8</b>
<b>2003</b>									
January	1.7	0.5	3.6	2.6	-0.2	-10.1	-18.8	-11.8	<b>1.0</b>
February	0.9	-6.5	-0.5	2.1	-4.1	-7.6	16.2	14.1	<b>0.1</b>
March	-2.5	7.4	6.9	9.4	3.7	8.6	18.1	-15.2	<b>2.9</b>
April	-0.2	-3.7	-0.7	-2.0	4.5	-0.8	7.9	4.3	<b>-1.7</b>
May	1.8	2.9	-0.7	2.8	5.6	5.0	13.8	-5.1	<b>3.2</b>
TREND (% change from previous month)									
<b>2002</b>									
May	-0.1	1.2	-0.1	1.8	0.1	-0.2	-2.8	2.6	<b>0.2</b>
June	—	1.2	-0.2	1.3	0.6	0.1	-4.4	0.5	<b>0.2</b>
July	-0.2	0.7	-0.5	-0.1	0.5	0.4	-5.2	-0.6	<b>-0.1</b>
August	-0.8	0.1	-0.6	-1.6	—	0.8	-5.1	-0.8	<b>-0.6</b>
September	-1.1	-0.5	-0.4	-2.7	-0.6	0.9	-4.0	0.3	<b>-0.9</b>
October	-1.1	-0.7	0.3	-2.7	-0.8	0.7	-1.6	1.5	<b>-0.8</b>
November	-0.9	-0.5	1.2	-1.3	-0.8	0.3	2.0	1.8	<b>-0.3</b>
December	-0.3	-0.2	2.0	0.8	-0.1	-0.1	5.8	0.8	<b>0.4</b>
<b>2003</b>									
January	0.2	0.2	2.4	2.5	0.8	-0.5	8.0	-0.9	<b>0.9</b>
February	0.4	0.3	2.3	3.0	1.5	-0.6	8.6	-2.2	<b>1.2</b>
March	0.4	0.2	2.0	2.9	1.9	-0.3	8.5	-2.5	<b>1.1</b>
April	0.2	0.3	1.6	2.6	2.1	0.1	8.0	-2.5	<b>1.0</b>
May	0.3	0.1	1.2	2.3	2.2	0.4	6.0	-2.5	<b>0.9</b>

— nil or rounded to zero (including null cells)

(a) Excludes alterations and additions. Includes refinancing.

## HOUSING FINANCE COMMITMENTS (a), By State/Territory: (\$m)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Month	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2002</b>									
May	3 906	2 137	1 527	525	944	108	43	163	<b>9 352</b>
June	3 378	1 837	1 327	498	807	88	36	138	<b>8 108</b>
July	3 610	2 048	1 472	524	893	98	31	133	<b>8 808</b>
August	3 481	2 002	1 401	476	828	98	32	126	<b>8 444</b>
September	3 317	1 886	1 381	454	768	91	31	129	<b>8 058</b>
October	3 498	2 051	1 558	517	870	105	30	154	<b>8 782</b>
November	3 428	2 022	1 522	529	859	105	42	162	<b>8 670</b>
December	3 281	2 094	1 441	539	834	111	49	139	<b>8 486</b>
<b>2003</b>									
January	2 820	1 824	1 392	465	831	91	34	129	<b>7 585</b>
February	3 147	1 820	1 612	508	888	99	45	161	<b>8 281</b>
March	3 671	2 068	1 856	617	936	114	53	144	<b>9 459</b>
April	3 707	2 028	1 726	580	938	106	50	161	<b>9 296</b>
May	4 177	2 288	1 876	654	1 101	128	62	160	<b>10 446</b>
SEASONALLY ADJUSTED (b)									
<b>2002</b>									
May	3 349	1 880	1 420	486	832	95	41	143	<b>8 237</b>
June	3 396	1 924	1 381	511	838	96	37	146	<b>8 343</b>
July	3 421	1 934	1 395	502	846	94	32	135	<b>8 315</b>
August	3 505	2 027	1 423	508	852	94	33	133	<b>8 463</b>
September	3 517	2 001	1 441	493	854	96	32	139	<b>8 584</b>
October	3 351	1 949	1 471	517	855	103	27	139	<b>8 537</b>
November	3 264	1 933	1 468	494	821	98	45	149	<b>8 328</b>
December	3 418	2 070	1 505	496	874	111	46	138	<b>8 618</b>
<b>2003</b>									
January	3 435	2 069	1 606	517	890	112	38	154	<b>8 730</b>
February	3 495	1 897	1 610	522	901	99	44	165	<b>8 828</b>
March	3 485	2 016	1 711	600	888	106	52	142	<b>9 052</b>
April	3 642	2 123	1 789	593	935	116	50	156	<b>9 376</b>
May	3 751	2 136	1 817	633	1 020	114	59	147	<b>9 636</b>
TREND (b)									
<b>2002</b>									
May	3 357	1 861	1 382	486	831	93	37	136	<b>8 189</b>
June	3 398	1 908	1 396	494	836	94	35	139	<b>8 280</b>
July	3 428	1 945	1 407	501	841	94	34	140	<b>8 368</b>
August	3 437	1 972	1 420	504	845	96	33	139	<b>8 433</b>
September	3 425	1 988	1 435	503	848	98	33	139	<b>8 468</b>
October	3 403	1 993	1 456	500	851	100	35	140	<b>8 490</b>
November	3 384	1 992	1 487	500	854	103	38	144	<b>8 520</b>
December	3 389	1 993	1 529	507	863	105	41	147	<b>8 596</b>
<b>2003</b>									
January	3 424	2 003	1 582	524	878	106	44	150	<b>8 726</b>
February	3 484	2 021	1 642	546	898	108	46	152	<b>8 903</b>
March	3 551	2 044	1 702	571	921	109	49	153	<b>9 100</b>
April	3 617	2 070	1 757	594	945	111	52	153	<b>9 294</b>
May	3 677	2 095	1 804	617	969	113	54	152	<b>9 473</b>

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of states and territories may not equal Australian total (see paragraph 19 in Explanatory Notes).

## HOUSING FINANCE COMMITMENTS, Purpose &amp; Change in Stock: Australia, Original (\$m)

<i>Month</i>	<i>Dwellings financed</i>	<i>Refinancing of established dwellings</i>	<i>Alterations and additions</i>	<b>Total</b>	<i>Commitments advanced during month</i>	<i>Commitments cancelled during month</i>	<i>Commitments not advanced at end of month(a)</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2002</b>							
May	7 361	1 991	417	<b>9 769</b>	8 202	1 071	18 219
June	6 311	1 797	345	<b>8 453</b>	7 634	1 023	18 017
July	6 761	2 047	369	<b>9 177</b>	8 020	1 097	17 986
August	6 460	1 984	364	<b>8 808</b>	7 537	888	18 376
September	6 153	1 905	367	<b>8 425</b>	7 388	816	18 601
October	6 698	2 084	457	<b>9 239</b>	7 987	1 005	18 827
November	6 639	2 031	465	<b>9 135</b>	7 983	1 005	18 971
December	6 482	2 004	448	<b>8 935</b>	8 479	825	18 628
<b>2003</b>							
January	5 906	1 679	411	<b>7 995</b>	7 247	810	17 469
February	6 261	2 019	444	<b>8 724</b>	7 331	873	18 002
March	7 097	2 362	451	<b>9 911</b>	8 128	1 136	18 657
April	7 069	2 228	427	<b>9 723</b>	8 284	761	19 393
May	7 972	2 474	503	<b>10 949</b>	9 557	819	19 947

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

Month	FIRST HOME BUYERS(a)			FIXED RATE LOANS (2 YEARS OR LONGER) (a)			ALL DWELLINGS FINANCED
	Dwellings financed	% of all dwellings financed	Average loan size	Dwellings financed	% of all dwellings financed	Average loan size	Average loan size
	no.	%	\$'000	no.	%	\$'000	\$'000
<b>2002</b>							
May	11 071	18.8	151.0	4 698	8.0	128.2	158.4
June	9 082	17.6	150.0	4 764	9.2	139.7	156.9
July	10 231	18.2	151.2	4 331	7.7	129.7	156.8
August	9 099	17.5	155.2	3 295	6.3	137.4	162.1
September	8 143	16.7	157.8	2 999	6.1	141.5	165.0
October	8 852	16.6	158.1	3 646	6.8	143.7	164.7
November	8 406	16.2	158.8	3 417	6.6	141.9	167.4
December	7 806	15.7	160.4	2 884	5.8	147.0	170.8
<b>2003</b>							
January	7 004	15.6	161.9	2 569	5.7	151.7	168.5
February	7 638	15.5	160.8	2 751	5.6	148.6	168.4
March	8 344	15.2	165.8	3 364	6.1	147.7	171.8
April	7 771	14.8	170.6	3 708	7.1	142.5	176.8
May	8 389	14.4	172.1	4 198	7.2	150.7	179.2

(a) Excludes alterations and additions. Includes refinancing.

State	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings(b)	Total	Refinancing of established dwellings	Total excluding refinancing
NUMBER						
New South Wales	1 223	544	17 149	<b>18 916</b>	5 363	13 553
Victoria	1 722	427	10 840	<b>12 989</b>	3 953	9 036
Queensland	1 272	347	9 704	<b>11 323</b>	2 953	8 370
South Australia	428	137	4 379	<b>4 944</b>	1 446	3 498
Western Australia	1 052	151	6 351	<b>7 554</b>	1 849	5 705
Tasmania	111	24	1 148	<b>1 283</b>	328	955
Northern Territory	28	11	435	<b>474</b>	119	355
Australian Capital Territory	50	50	702	<b>802</b>	151	651
Total	5 886	1 691	50 708	<b>58 285</b>	16 162	42 123
VALUE (\$m)						
New South Wales	268	158	3 751	<b>4 177</b>	1 028	3 149
Victoria	306	80	1 902	<b>2 288</b>	583	1 706
Queensland	220	65	1 591	<b>1 876</b>	431	1 445
South Australia	73	20	560	<b>654</b>	151	503
Western Australia	168	27	906	<b>1 101</b>	216	885
Tasmania	13	4	111	<b>128</b>	28	100
Northern Territory	4	2	56	<b>62</b>	13	48
Australian Capital Territory	14	12	135	<b>160</b>	25	135
Total	1 067	367	9 012	<b>10 446</b>	2 474	7 972
AVERAGE LOAN SIZE (\$'000)						
New South Wales	218.9	290.3	218.8	<b>220.8</b>	191.8	232.3
Victoria	177.9	188.1	175.4	<b>176.2</b>	147.4	188.8
Queensland	173.1	187.6	164.0	<b>165.7</b>	146.0	172.7
South Australia	171.5	147.8	127.9	<b>132.2</b>	104.1	143.9
Western Australia	159.5	177.9	142.7	<b>145.7</b>	116.8	155.1
Tasmania	121.3	152.1	96.7	<b>99.8</b>	86.3	104.5
Northern Territory	145.0	156.8	128.2	<b>129.8</b>	110.6	136.3
Australian Capital Territory	275.9	230.6	191.7	<b>199.3</b>	162.6	207.9
Total	181.2	217.2	177.7	<b>179.2</b>	153.1	189.2

(a) Excludes alterations and additions.

(b) Includes refinancing.

## WHAT IF...? REVISIONS TO TREND ESTIMATES

### EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

#### SENSITIVITY ANALYSIS

Readers should exercise care when interpreting the trend estimates of recent months because they will be revised when next month's seasonally adjusted estimates become available. For further information, see paragraphs 20 to 21 in the Explanatory Notes.

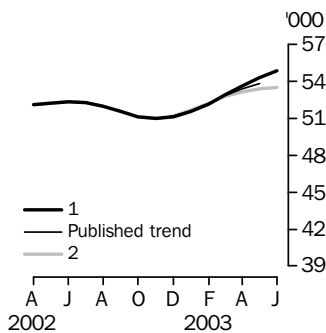
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The June 2003 seasonally adjusted estimate of number of dwellings financed is higher than the May 2003 seasonally adjusted estimate by 4.0%.

2 The June 2003 seasonally adjusted estimate of number of dwellings financed is lower than the May 2003 seasonally adjusted estimate by 4.0%.

The percentage change of 4.0% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 4.0%.

#### NUMBER OF DWELLINGS FINANCED



	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	no.	%	(1) rises by 4% on this month		(2) falls by 4% on this month	
			no.	%	no.	%
December 2002	51 167	0.4	51 106	0.3	51 169	0.4
January 2003	51 647	0.9	51 550	0.9	51 661	1.0
February 2003	52 245	1.2	52 203	1.3	52 258	1.2
March 2003	52 835	1.1	52 936	1.4	52 790	1.0
April 2003	53 366	1.0	53 648	1.3	53 165	0.7
May 2003	53 826	0.9	54 335	1.3	53 425	0.5
June 2003	na	na	54 877	1.0	53 504	0.1

na not available



## EXPLANATORY NOTES

- INTRODUCTION**
- 1** This publication presents statistics of secured housing finance commitments made by significant lenders to individuals. The commitments are for the construction or purchase of owner occupied dwellings. Commitments for the purchase of land, or for the construction or purchase of dwellings for rent or resale, are excluded and shown in *Lending Finance, Australia* (cat. no. 5671.0).
- SCOPE**
- 2** 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.
- 3** All lending commitments are classified to the lender type which is (or will be) the legal lender on the corresponding loan contract. Commitments are published for four lender types: Banks, Non-Banks, Permanent Building Societies and Wholesale Lenders n.e.c. (not elsewhere classified).
- COVERAGE**
- 4** The statistics cover all banks and permanent building societies. The largest of the remaining lenders of secured housing finance for owner occupation are included so that, together with banks and building societies, at least 95% of the Australian total of finance commitments for owner occupied housing is covered, and at least 90% of each state total is covered. While many smaller contributors to the Non-Banks series are excluded under these coverage criteria, at least 70% of finance commitments by wholesale contributors are covered.
- 5** An annual collection is conducted to maintain and update the survey coverage. New lenders are included as their lending for owner occupied housing becomes sufficiently large.
- 6** From June 2001, the collection covers all commitments by banks and permanent building societies, all other lenders providing funds of more than \$50m in 2000, and some additional smaller other lenders where necessary to maintain collection coverage (as specified in paragraph 4).
- REVISIONS**
- 7** Revisions to previously published statistics are included in the publication as they occur.
- 8** 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 such 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.
- WHOLESALE LENDERS**
- 9** A wholesale lender provides funds to borrowers through a retail intermediary which may then also be responsible for the on-going relationship with the borrower.
- 10** The Wholesale Lenders n.e.c. series almost exclusively comprises securitisation vehicles (typically special purpose trusts), established to issue mortgage backed securities. It excludes commitments where a bank or permanent building society, acting as a wholesale provider of funds, is the lender on the loan contract. Those commitments are published as bank or permanent building society commitments.

## EXPLANATORY NOTES *continued*

### WHOLESALE LENDERS *continued*

**11** From July 1995 to July 2000, mortgage managers reported housing finance commitments on behalf of wholesale lenders. The introduction of wholesale lenders as the reporting unit does not change the scope of the collection, but has increased its coverage. This, along with the reclassification of some lending activity, increased the level of the Wholesale Lenders n.e.c. series by \$249m in July 2000.

**12** Wholesale lenders contribute to the Non-Banks series, which is seasonally adjusted in table 3. A trend break was added to the Non-Banks series, shifting the trend up by 1 579 commitments and \$178m in July 2000. Revisions related to the introduction of wholesale lenders also resulted in a downward shift in the Banks' trend of 1 256 commitments and \$167m. Consequential breaks in the finance purpose trend series at July 2000 were:

- construction finance trend shifted down 16 commitments (\$3m)
- new dwelling finance trend shifted up 26 commitments (\$1m)
- established dwelling finance trend shifted up 313 commitments (\$13m)
- refinancing trend shifted up 177 commitments (\$17m)
- total finance trend shifted up 323 commitments (\$11m).

**13** Because of difficulties experienced by Wholesale Lenders n.e.c. in accurately identifying first home buyers in their commitments, these data are not used in estimating first home buyer commitments (table 9). Instead, from July 2000, the percentage of first home buyer commitments made by all banks and permanent building societies is applied to total Wholesale Lenders n.e.c. commitments to calculate their contribution to the First Home Buyers series. As a result, first home buyer commitments were revised upwards by 0.8 percentage points in July 2000.

**14** An article on the introduction of the Wholesale Lenders n.e.c. series (including implications for the First Home Buyers series) featured in the October 2000 issue of this publication. A copy of the article is available from the contact person listed on the front of the publication.

### SEASONAL ADJUSTMENT

**15** 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.

**16** Over the period from early 1990 to April 1995, four of the major banks changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to reporting on a calendar month basis. The published seasonally adjusted data take account of this change in pattern.

**17** Rapid change in the financial sector, and particularly developments in the provision of housing finance, may cause changes in the seasonal and trading day patterns of the housing finance data. Examples include changes in the classification of financial institutions (particularly the reclassification of non-bank financial institutions to banks) and the increased use of mortgage securitisation.

**18** 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 re-analysis. Accordingly, the trend estimate data provide a more reliable indicator of

## EXPLANATORY NOTES *continued*

### SEASONAL ADJUSTMENT

*continued*

underlying movement in housing finance commitments. (See paragraphs 20 and 21 for further information on trend estimates).

**19** State component series have been seasonally adjusted independently of the Australian series. The sum of the state components is therefore unlikely to equal the corresponding Australian total. State component series are also affected by the changes mentioned in paragraphs 15 to 18.

### TREND ESTIMATES

**20** 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>.

**21** While the smoothing technique described in paragraph 20 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

**22** 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

**23** 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 - see listing in Appendix, page 20. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

### RELATED RELEASES

**24** Users may also wish to refer to the following ABS releases:

- *Lending Finance, Australia* (cat. no. 5671.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.40.001)
- *Annual Statistics for Financial Institutions* (cat. no. 5661.0.40.001)
- *Buildings Approvals, Australia* (cat. no. 8731.0)
- *Building Activity, Australia: Dwelling Unit Commencement, Preliminary* (cat. no. 8750.0)

**25** In addition, the Reserve Bank of Australia produces the monthly *Reserve Bank of Australia Bulletin* as well as data on its web site <<http://www.rba.gov.au>>. The Australian Prudential Regulation Authority (APRA) publishes a range of finance statistics on its web site <<http://www.apra.gov.au>>.

**26** 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>>.

## APPENDIX TABLES AVAILABLE IN AUSSTATS

Table

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By purpose: Australia (Percentage change - Number; Value)
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By lender: Australia (Number; \$'000)
- 4 Housing finance commitments,  
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- 9a Housing finance commitments,  
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By purpose and lender: Australia, Original (Average loan size - \$'000)

## GLOSSARY

<b>Alterations and additions</b>	Alterations and additions cover 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>Average loan</b>	<p>The Average Loan series is calculated as follows:</p> $\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$ <p>The Average Loan series does not necessarily represent the average loan size per dwelling. For instance, the average separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.</p>
<b>Commitment</b>	A lending commitment is a firm offer of housing finance. It either has been, or is normally expected to be, accepted. Included are commitments to provide housing finance to employees and commitments accepted and cancelled in the same month.
<b>Commitments not advanced</b>	<p>Commitments not advanced at the end of the month are calculated as follows:</p> $\begin{aligned} & \text{Balance of unadvanced commitments at the end of the previous month} \\ & + \text{Total new housing commitments (including refinancing)} \\ & + \text{Alterations and additions} \\ & = \text{Total commitments} \\ & - \text{Cancellations of commitments} \\ & - \text{Commitments advanced during the month} \\ & = \text{Commitments not advanced at the end of the month} \end{aligned}$
<b>Commitment value</b>	The commitment value for a contract of sale is the dwelling's sale value less any deposit.
<b>Construction of dwellings</b>	Construction of dwellings represents commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
<b>Dwelling</b>	A 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.
<b>Dwellings units</b>	Dwelling units refer to the number of single self-contained residences for which commitments have been made, either on the security of first mortgage or on contract of sale.
<b>Established dwelling</b>	An established dwelling is one which has been completed for 12 months or more prior to the lodgement of a loan application, or which has been previously occupied.
<b>First home buyers</b>	First home buyers are persons entering the home ownership market for the first time.
<b>Fixed rate loan</b>	Fixed rate loans have a set interest rate which cannot be varied, either upward or downward, for a minimum period of two years. Capped loans are not categorised as fixed rate loans because their interest rate can vary within a two year period.
<b>New dwelling</b>	A new dwelling is one that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
<b>Refinancing</b>	Refinancing represents a commitment to refinance an existing loan where the refinancing lender is not the lender who made the original loan. Excluded are an institution's refinancing of its own loans and the refinancing of loans to fund a change of residence. The latter is treated as a new lending commitment.
<b>Secured housing finance</b>	This is all secured commitments to individuals for the construction or purchase of dwellings for owner occupation, regardless of type of security. Commitments for dwellings that will be occupied by persons other than the owner(s) are excluded.
<b>Self-contained</b>	The dwelling includes bathing and cooking facilities.

## **GLOSSARY** *continued*

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**Wholesale lenders** A wholesale lender provides funds to borrowers through a retail intermediary which may then also be responsible for the ongoing relationship with the borrower. The Wholesale Lenders n.e.c. (not elsewhere classified) series almost exclusively comprises securitisation vehicles (typically special purpose trusts) established to issue mortgage backed securities. It excludes funds provided where a bank or permanent building society, acting as a wholesale provider of funds, remains the lender on the contract. Those commitments are published as bank or permanent building society commitments.



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