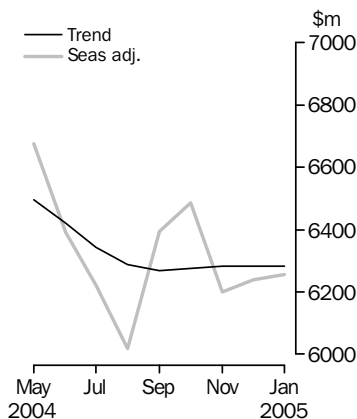


# LENDING FINANCE

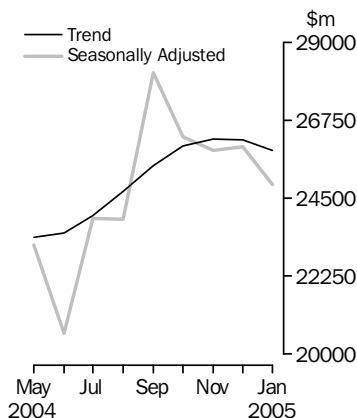
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) TUES 15 MAR 2005

## Personal finance



## Commercial finance



## KEY FIGURES

	Dec 2004 \$m	Jan 2005 \$m	Dec 2004 to Jan 2005 % change
<b>TREND ESTIMATES</b>			
Housing finance for owner occupation	11 024	11 144	1.1
Personal finance	6 284	6 283	—
Commercial finance	26 191	25 882	-1.2
Lease finance	541	535	-1.1
<b>SEASONALLY ADJUSTED ESTIMATES</b>			
Housing finance for owner occupation	11 224	11 150	-0.7
Personal finance	6 240	6 256	0.3
Commercial finance	25 997	24 901	-4.2
Lease finance	521	529	1.4

— nil or rounded to zero (including null cells)

## KEY POINTS

### HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments excluding alterations and additions decreased by 0.7% (seasonally adjusted) in January 2005. The trend series increased by 1.1%.

### PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments rose by 0.3% in January 2005. Fixed lending decreased by 5.8% while revolving credit commitments increased by 5.3%.
- The total personal finance trend series remained virtually unchanged in January 2005, after also remaining steady in December 2004 following two months of slight increases.

### COMMERCIAL FINANCE

- The total commercial finance series (seasonally adjusted) fell by 4.2% in January 2005. Fixed lending decreased by 6.8% while revolving credit increased by 1.2%.
- The purchase of dwellings by individuals for rent or resale (seasonally adjusted) series fell by 0.8% in January 2005, following rises in the past two months
- The trend series for total commercial finance fell by 1.2% in January 2005. This fall was due to decreases in both fixed lending (down 0.3%) and revolving credit (down 2.9%).

### LEASE FINANCE

- Lease finance (seasonally adjusted) increased by 1.4% in January 2005.
- The lease finance trend fell by 1.1% in January 2005, the second slight increase following six consecutive monthly increases.

## INQUIRIES

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

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
February 2005	13 April 2005
March 2005	13 May 2005
April 2005	10 June 2005
May 2005	13 July 2005
June 2005	12 August 2005
July 2005	9 September 2005

## CHANGES IN THIS ISSUE

Seasonal adjustment and trend derivation for the total housing series in Table 8 is now undertaken by summing the component series, rather than independent adjustment. This is consistent with the methodology followed in deriving the total dwelling finance series in Table 11 of Housing Finance, Australia (cat. no. 5609.0).

## REVISIONS IN THIS ISSUE

As announced in the last issue, revisions to a number of series have been introduced in this issue. This follows consultation with a number of data providers. The key series affected are outlined below.

The value of owner occupied housing commitments for the construction of dwellings (Table 8) has been revised downward back to November 1995, mainly due to the incorrect inclusion of finance commitments for the purchase of individual residential blocks of land. Where a subsequent commitment is required to finance the construction of an owner-occupied dwelling, these land loans are included as a Personal Finance commitment (Table 4).

Some providers have corrected under-reporting of housing finance commitments. This has resulted in upward revisions to all of the purpose components of housing finance commitments in Table 8 for both owner occupation (secured finance) and commercial finance.

Revisions have also been made to the levels of personal finance and commercial finance commitments back to July 2002, as a result of revisions supplied by providers and improved coverage of finance commitments.

## ABBREVIATIONS

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

Dennis Trewin  
Australian Statistician

# CONTENTS

page

Additional tables on AusStats . . . . . 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 . . . . . 20

## ADDITIONAL TABLES ON AUSSTATS

### TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <<http://www.abs.gov.au>> by selecting *Time Series Spreadsheets* and then *Finance*.

Tables available are:

- longer time series of tables in this publication
- the following tables
  - C1a. Commercial finance commitments (original, seasonally adjusted, trend)
  - C1b. Commercial finance commitments, fixed loans and revolving credit
  - C1c. Commercial finance commitments, fixed loans and revolving credit by lender
  - C1d. Commercial finance commitments, fixed loans by industry
  - C1e. Commercial finance commitments, revolving credit by industry
  - C2 to C9. Commercial finance commitments, fixed loans and revolving credit by state and territory
  - L1a. Lease finance commitments, summary (original, seasonally adjusted, trend)
  - L1b. Lease finance commitments by purpose
  - L1c. Lease finance commitments by purpose and lender
  - L1d. Lease finance commitments by industry
  - L2 to L9. Lease finance commitments by purpose and state and territory
  - OL1b. Operating lease finance commitments by purpose
  - OL1c. Operating lease finance commitments by lender
  - OL1d. Operating lease finance commitments by industry
  - OL2 to OL9. Operating lease finance commitments by purpose and state and territory
  - P1a. Personal finance commitments, summary (original, seasonally adjusted, trend)
  - P1b. Personal finance commitments, fixed loans and revolving credit
  - P1c. Personal finance commitments, fixed loans and revolving credit by lender
  - P2 to P9. Personal finance commitments, fixed loans and revolving credit by state and territory
  - 13 Lending Finance Seasonal Factors, By Purpose and Lender: Australia, January 1985 to January 2006

## SUMMARY OF FINDINGS

### HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions (seasonally adjusted) decreased by 0.7% in January 2005. The trend series increased by 1.1%.

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

### PERSONAL FINANCE

In seasonally adjusted terms, total personal finance rose by 0.3% in January 2005. Fixed lending commitments decreased by 5.8% while revolving credit increased by 5.3%. The trend series remained virtually unchanged from the December level.

In original terms, fixed lending commitments decreased by \$558m (down 19.8%) in January 2005. Movements in the original series contributing to the decrease in seasonally adjusted terms were:

- Other fixed lending, down \$158m (22.6%) compared with an average December to January decrease of 9.1% over the previous three years
- Refinancing, down \$152m (24.5%) compared with an average December to January decrease of 5.2% over the previous three years.

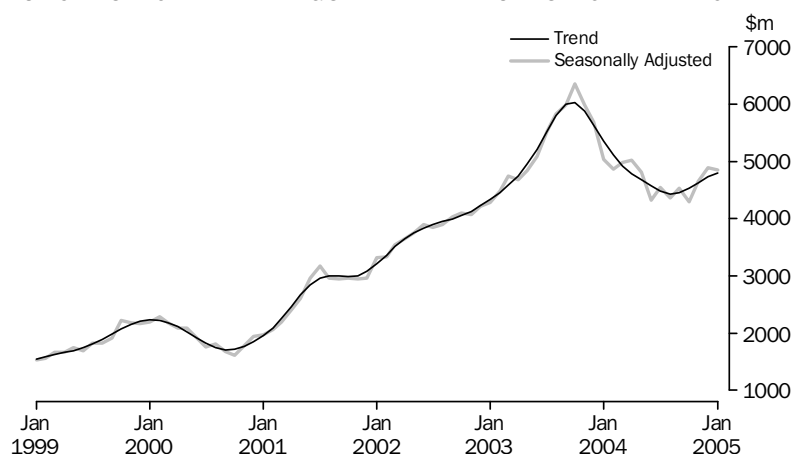
### COMMERCIAL FINANCE

Total commercial finance series (seasonally adjusted) decreased to \$24,901 million (down 4.2%) in January 2005. The decrease in the seasonally adjusted series was driven by a large decrease in fixed lending (down 6.8%), while revolving credit rose slightly (up 1.2%).

The trend series for total commercial finance decreased by 1.2% in January 2005, the second monthly decrease following six consecutive monthly increases. Falls were recorded in fixed lending (down 0.3%) and revolving credit (down 2.9%).

The seasonally adjusted purchase of dwellings for rent or resale by individuals series increased to \$4,855 million (down 0.8%) in January 2005. The trend series increased by 1.7% in January 2005, the fifth consecutive monthly increase.

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



### LEASE FINANCE

Total lease finance series (seasonally adjusted) increased to \$529 million (up 1.4%) in January 2005. The lease finance trend series fell by 1.1% in January 2005, the second slight increase following six consecutive monthly increases.

## FINANCE COMMITMENTS, Summary

Month	SECURED HOUSING(a)		PERSONAL(b)			COMMERCIAL			LEASE
	Construction and purchase of dwellings(c)	Alterations and additions	Fixed loans(c)	Revolving credit(d)	Total	Fixed loans(c)	Revolving credit(d)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2004</b>									
January	8 147	412	2 421	3 175	5 597	11 434	6 089	17 522	364
February	9 089	545	2 659	3 162	5 821	13 010	6 108	19 118	437
March	11 175	638	3 124	3 959	7 082	16 941	7 185	24 125	562
April	9 910	525	2 628	3 618	6 246	14 406	9 994	24 401	456
May	10 636	545	2 837	3 876	6 713	17 294	5 884	23 178	464
June	10 762	560	3 096	4 242	7 338	18 325	8 607	26 932	603
July	10 758	509	3 010	3 533	6 543	17 229	8 808	26 037	520
August	10 705	490	2 916	3 174	6 090	16 004	8 409	24 412	521
September	10 872	498	2 954	3 450	6 404	16 183	12 202	28 385	593
October	10 223	451	2 828	3 491	6 319	17 694	7 771	25 465	503
November	11 571	500	3 078	3 478	6 556	16 723	9 326	26 049	519
December	11 519	468	2 827	3 469	6 297	19 375	10 447	29 822	581
<b>2005</b>									
January	8 721	354	2 269	2 823	5 092	11 545	6 247	17 792	404
SEASONALLY ADJUSTED									
<b>2004</b>									
January	10 045	496	2 685	3 844	6 529	15 476	7 920	23 396	462
February	9 976	551	2 727	3 694	6 421	15 672	7 357	23 030	518
March	10 099	549	2 811	3 765	6 576	16 466	7 562	24 028	534
April	10 331	563	2 790	3 928	6 718	16 578	10 057	26 635	515
May	10 258	535	2 852	3 824	6 676	16 499	6 659	23 158	488
June	10 104	525	2 803	3 588	6 391	13 562	7 043	20 605	422
July	10 425	524	2 927	3 293	6 221	15 887	8 035	23 921	478
August	10 407	506	2 923	3 094	6 018	15 731	8 167	23 898	534
September	10 558	499	2 973	3 421	6 395	16 211	11 934	28 145	570
October	10 518	441	2 946	3 540	6 486	17 934	8 335	26 269	539
November	10 909	462	2 958	3 242	6 200	16 892	9 004	25 896	539
December	11 224	469	2 833	3 406	6 240	17 613	8 384	25 997	521
<b>2005</b>									
January	11 150	444	2 669	3 587	6 256	16 420	8 481	24 901	529
TREND									
<b>2004</b>									
January	10 318	540	2 792	3 817	6 609	16 737	7 972	24 709	530
February	10 151	538	2 772	3 824	6 595	16 473	7 992	24 465	513
March	10 092	541	2 770	3 815	6 585	16 157	7 877	24 035	498
April	10 123	543	2 789	3 765	6 554	15 818	7 769	23 587	487
May	10 193	542	2 824	3 673	6 496	15 571	7 793	23 364	484
June	10 263	533	2 864	3 556	6 421	15 493	8 009	23 502	487
July	10 331	519	2 906	3 438	6 344	15 628	8 377	24 005	497
August	10 420	502	2 933	3 355	6 288	15 934	8 766	24 700	512
September	10 549	487	2 941	3 328	6 269	16 391	9 066	25 456	529
October	10 708	473	2 925	3 351	6 276	16 825	9 201	26 026	539
November	10 871	462	2 891	3 392	6 283	17 108	9 113	26 221	542
December	11 024	453	2 848	3 436	6 284	17 277	8 914	26 191	541
<b>2005</b>									
January	11 144	447	2 796	3 487	6 283	17 224	8 657	25 882	535

(a) For owner occupation.

(b) Includes unsecured housing finance for owner occupation.

(c) Includes refinancing.

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

**HOUSING AND PERSONAL FINANCE COMMITMENTS, By Lender: Original**

Month	HOUSING FINANCE (a)					PERSONAL FINANCE (b)				
	Banks	Permanent building societies	Wholesale lenders n.e.c.	Other lenders	Total	Banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>										
January	6 282	239	1 117	510	8 147	4 225	253	880	239	5 597
February	7 013	283	1 282	511	9 089	4 358	257	931	274	5 821
March	8 602	332	1 639	602	11 175	5 502	330	978	273	7 082
April	7 831	270	1 298	510	9 910	4 855	289	837	265	6 246
May	8 344	317	1 452	522	10 636	5 259	278	897	278	6 713
June	8 435	275	1 538	513	10 762	5 812	289	994	243	7 338
July	8 418	298	1 474	568	10 758	5 168	266	881	228	6 543
August	8 270	284	1 556	594	10 705	4 726	270	544	550	6 090
September	8 439	305	1 543	585	10 872	5 016	np	np	554	6 404
October	7 989	303	1 413	518	10 223	4 962	260	525	572	6 319
November	9 043	355	1 593	580	11 571	4 955	307	543	752	6 556
December	9 088	310	1 523	597	11 519	5 034	319	294	650	6 297
<b>2005</b>										
January	6 861	245	1 120	495	8 721	3 882	227	253	731	5 092

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

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

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

Month	COMMERCIAL FINANCE					LEASE FINANCE				
	Banks	Money market corporations	Finance companies	Other lenders	Total	Banks	General financiers	Finance companies	Other lessors	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>										
January	14 197	np	371	np	17 522	121	117	77	50	364
February	15 022	242	458	3 397	19 118	145	128	94	69	437
March	20 427	np	554	np	24 125	182	172	121	87	562
April	np	np	440	np	24 401	160	114	108	73	456
May	20 564	np	463	np	23 178	164	113	115	72	464
June	23 627	142	563	2 600	26 932	221	137	151	95	603
July	22 984	442	451	2 161	26 037	199	124	111	85	520
August	20 715	np	404	np	24 412	195	127	107	91	521
September	np	283	382	5 211	28 385	197	207	101	87	593
October	22 729	264	407	2 064	25 465	169	141	104	89	503
November	np	204	385	3 649	26 049	183	132	104	99	519
December	np	967	420	2 892	29 822	200	162	119	100	581
<b>2005</b>										
January	np	np	254	np	17 792	108	154	77	65	404

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>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>									
January	305	459	831	259	38	199	474	620	<b>2 421</b>
February	330	474	886	303	47	241	469	713	<b>2 659</b>
March	377	538	1 013	364	56	289	561	841	<b>3 124</b>
April	307	450	836	320	47	236	461	728	<b>2 628</b>
May	322	465	881	368	46	262	529	751	<b>2 837</b>
June	373	507	983	383	47	244	607	831	<b>3 096</b>
July	367	502	966	368	44	241	596	796	<b>3 010</b>
August	353	507	962	377	48	224	567	738	<b>2 916</b>
September	349	509	969	356	48	235	559	788	<b>2 954</b>
October	324	479	911	346	40	246	521	764	<b>2 828</b>
November	349	516	975	375	53	276	595	804	<b>3 078</b>
December	300	462	829	366	48	263	621	700	<b>2 827</b>
<b>2005</b>									
January	270	431	750	268	34	206	468	542	<b>2 269</b>

(a) Includes motorcycles and other motor vehicles.

(b) Includes alterations and additions.

(c) Includes boats, caravans and trailers, household goods, travel and holidays and other purposes.

PERSONAL FINANCE COMMITMENTS, Revolving Credit Stocks and Flows: **Original**

Month	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total	Total	Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>						
January	1 582	1 593	<b>3 175</b>	1 216	169 571	81 441
February	1 768	1 394	<b>3 162</b>	1 410	171 264	82 805
March	2 136	1 823	<b>3 959</b>	1 423	173 589	83 959
April	1 756	1 863	<b>3 618</b>	1 361	175 896	85 106
May	1 960	1 915	<b>3 876</b>	2 162	182 235	87 411
June	2 298	1 944	<b>4 242</b>	1 597	184 851	88 998
July	2 059	1 474	<b>3 533</b>	1 388	186 977	91 098
August	1 800	1 374	<b>3 174</b>	1 292	187 784	91 372
September	1 939	1 511	<b>3 450</b>	1 611	189 617	92 718
October	1 619	1 872	<b>3 491</b>	1 471	191 914	94 262
November	1 885	1 593	<b>3 478</b>	1 407	194 273	94 410
December	1 911	1 559	<b>3 469</b>	1 503	196 130	95 727
<b>2005</b>						
January	1 413	1 410	<b>2 823</b>	1 308	195 964	94 096

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

## 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
<b>2004</b>								
January	1 132	5 034	np	1 065	654	np	<b>11 434</b>	21 889
February	782	5 767	np	922	1 240	np	<b>13 010</b>	29 455
March	1 632	7 229	727	1 259	2 220	3 872	<b>16 941</b>	30 523
April	860	6 022	724	930	1 222	4 648	<b>14 406</b>	30 394
May	1 409	6 452	762	983	1 399	6 288	<b>17 294</b>	30 284
June	2 164	7 091	837	1 244	1 502	5 488	<b>18 325</b>	29 768
July	1 651	6 556	1 012	1 170	1 330	5 509	<b>17 229</b>	31 459
August	1 576	6 225	729	1 062	1 696	4 715	<b>16 004</b>	29 833
September	1 078	6 684	708	1 079	1 207	5 427	<b>16 183</b>	29 554
October	2 633	6 330	650	1 060	2 063	4 959	<b>17 694</b>	28 216
November	1 435	6 682	732	1 131	961	5 782	<b>16 723</b>	30 084
December	1 563	7 037	596	1 239	1 525	7 414	<b>19 375</b>	31 794
<b>2005</b>								
January	809	4 809	671	776	737	3 743	<b>11 545</b>	31 027

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	Total credit limits at end of month	Credit used at end of month
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>						
January	364	431	6 089	5 480	224 619	113 340
February	437	447	6 108	6 467	224 866	112 637
March	562	472	7 185	6 890	225 184	112 267
April	456	414	9 994	5 636	229 657	115 527
May	464	434	5 884	5 116	230 168	114 548
June	603	442	8 607	6 112	232 652	118 240
July	520	745	8 808	5 424	235 921	117 792
August	521	709	8 409	6 564	235 567	118 419
September	593	755	12 202	5 833	242 555	120 176
October	503	636	7 771	6 978	243 417	122 827
November	519	707	9 326	6 385	245 235	122 276
December	581	np	10 447	7 133	248 693	123 775
<b>2005</b>						
January	404	np	6 247	4 790	250 221	122 289

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

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

	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE(a)			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total(b)	Construction of dwellings for rent or resale	Purchase of dwellings by individuals for rent or resale	Purchase of dwelling by others for rent or resale	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
<b>2004</b>									
January	759	313	7 075	412	38	340	3 929	387	<b>13 252</b>
February	826	426	7 837	545	47	422	4 378	399	<b>14 880</b>
March	995	438	9 741	638	56	646	5 544	483	<b>18 542</b>
April	887	421	8 601	525	47	478	4 736	394	<b>16 090</b>
May	999	422	9 214	545	46	551	5 035	491	<b>17 304</b>
June	1 019	447	9 296	560	47	695	5 108	555	<b>17 728</b>
July	1 037	461	9 260	509	44	605	4 623	484	<b>17 022</b>
August	1 003	455	9 247	490	48	602	4 595	524	<b>16 963</b>
September	994	466	9 413	498	48	592	4 628	408	<b>17 045</b>
October	910	436	8 877	451	40	540	4 133	412	<b>15 800</b>
November	965	472	10 134	500	53	675	4 830	592	<b>18 221</b>
December	961	527	10 030	468	48	587	4 855	549	<b>18 025</b>
<b>2005</b>									
January	721	375	7 624	354	34	356	3 584	366	<b>13 415</b>
SEASONALLY ADJUSTED									
<b>2004</b>									
January	973	371	8 701	496	46	494	5 032	491	<b>16 605</b>
February	945	452	8 579	551	46	509	4 866	476	<b>16 424</b>
March	944	408	8 748	549	49	565	4 983	483	<b>16 728</b>
April	970	438	8 923	563	49	507	5 023	449	<b>16 921</b>
May	957	416	8 885	535	46	543	4 813	457	<b>16 652</b>
June	938	419	8 747	525	44	588	4 317	407	<b>15 986</b>
July	933	434	9 059	524	45	581	4 552	492	<b>16 620</b>
August	940	459	9 007	506	51	594	4 368	496	<b>16 422</b>
September	947	455	9 156	499	48	619	4 540	456	<b>16 720</b>
October	928	465	9 125	441	44	495	4 300	462	<b>16 260</b>
November	924	464	9 522	462	48	634	4 648	504	<b>17 206</b>
December	938	479	9 807	469	44	543	4 892	498	<b>17 670</b>
<b>2005</b>									
January	957	479	9 714	444	43	521	4 855	467	<b>17 480</b>
TREND									
<b>2004</b>									
January	968	407	8 943	540	47	498	5 354	497	<b>17 254</b>
February	959	414	8 777	538	47	513	5 109	477	<b>16 836</b>
March	953	419	8 720	541	47	528	4 919	462	<b>16 590</b>
April	951	423	8 749	543	47	542	4 787	455	<b>16 496</b>
May	949	426	8 817	542	47	557	4 683	453	<b>16 474</b>
June	946	431	8 886	533	47	570	4 577	455	<b>16 444</b>
July	942	437	8 952	519	47	581	4 480	460	<b>16 417</b>
August	937	446	9 037	502	47	585	4 430	468	<b>16 453</b>
September	935	455	9 159	487	47	583	4 454	476	<b>16 597</b>
October	935	463	9 310	473	47	575	4 532	481	<b>16 817</b>
November	936	470	9 465	462	46	565	4 626	484	<b>17 054</b>
December	939	475	9 610	453	45	554	4 725	486	<b>17 288</b>
<b>2005</b>									
January	942	478	9 724	447	44	544	4 803	482	<b>17 465</b>

(a) Excludes revolving credit.

(b) Includes alterations and additions.

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

Month	PERSONAL FINANCE(a)					COMMERCIAL FINANCE(a)	LEASE FINANCE	ALL VEHICLE FINANCE
	New motor cars and station wagons	Used motor cars and station wagons	Motorcycles	Other motor vehicles	Total	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>								
January	305	459	15	52	831	517	162	<b>1 509</b>
February	330	474	18	64	886	610	223	<b>1 719</b>
March	377	538	19	79	1 013	721	273	<b>2 007</b>
April	307	450	17	62	836	601	251	<b>1 688</b>
May	322	465	18	76	881	645	250	<b>1 776</b>
June	373	507	17	87	983	790	303	<b>2 076</b>
July	367	502	18	78	966	676	262	<b>1 903</b>
August	353	507	15	87	962	662	258	<b>1 881</b>
September	349	509	16	94	969	646	263	<b>1 879</b>
October	324	479	21	87	911	641	267	<b>1 818</b>
November	349	516	24	85	975	692	283	<b>1 950</b>
December	300	462	23	43	829	724	288	<b>1 840</b>
<b>2005</b>								
January	270	431	19	30	750	477	182	<b>1 410</b>

(a) Excludes revolving credit.

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

<i>Month</i>	MOTOR CARS AND STATION WAGONS		LIGHT TRUCKS		HEAVY TRUCKS		OTHER MOTOR VEHICLES	ALL VEHICLES
	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>New</i>	<i>Used</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>								
January	111	26	11	1	8	2	3	<b>162</b>
February	144	33	16	5	16	3	6	<b>223</b>
March	170	39	21	4	28	3	8	<b>273</b>
April	155	31	17	3	22	13	9	<b>251</b>
May	157	38	20	4	16	4	10	<b>250</b>
June	184	44	30	5	26	5	10	<b>303</b>
July	169	40	24	3	15	3	7	<b>262</b>
August	161	41	20	3	17	5	12	<b>258</b>
September	154	41	19	4	20	5	22	<b>263</b>
October	165	40	18	2	22	6	13	<b>267</b>
November	178	42	18	2	17	10	16	<b>283</b>
December	199	38	19	3	14	4	12	<b>288</b>
<b>2005</b>								
January	124	30	10	3	8	3	5	<b>182</b>

Month	COMMERCIAL FINANCE(a)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	Transport equipment(b)	Other plant and equipment	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m
<b>2004</b>					
January	35	513	548	202	<b>750</b>
February	46	266	312	214	<b>526</b>
March	58	480	538	289	<b>827</b>
April	49	281	329	205	<b>534</b>
May	57	280	338	215	<b>552</b>
June	94	360	454	300	<b>754</b>
July	133	361	494	258	<b>752</b>
August	59	342	401	263	<b>664</b>
September	79	354	432	329	<b>762</b>
October	73	346	419	236	<b>655</b>
November	98	340	438	236	<b>674</b>
December	137	378	516	293	<b>809</b>
<b>2005</b>					
January	55	244	299	221	<b>520</b>

(a) Excludes revolving credit.

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

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

Month	Transport equipment (a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manufacturing equipment	Electronic data processing equipment	Office machines	Shop and office furniture, fittings and equipment	Other goods	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2004</b>									
January	2	10	12	16	80	43	9	30	<b>202</b>
February	3	16	16	13	75	41	12	37	<b>214</b>
March	6	22	13	24	109	52	16	46	<b>289</b>
April	9	24	13	14	62	42	12	30	<b>205</b>
May	8	20	18	16	51	49	19	33	<b>215</b>
June	10	33	27	31	71	49	19	59	<b>300</b>
July	5	55	11	28	50	46	18	45	<b>258</b>
August	3	30	8	18	105	46	15	37	<b>263</b>
September	8	31	17	25	142	46	18	42	<b>329</b>
October	5	17	14	18	88	39	14	41	<b>236</b>
November	6	39	11	23	53	43	17	43	<b>236</b>
December	6	31	13	21	97	52	35	38	<b>293</b>
<b>2005</b>									
January	4	20	9	13	102	27	14	32	<b>221</b>

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



## EXPLANATORY NOTES

### INTRODUCTION

- 1** This publication presents statistics of finance commitments made by significant lenders for the purposes of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance.
- 2** *Secured housing finance for owner occupation* is secured finance to individuals for the purchase or construction of dwellings for owner occupation, and for alterations and additions to existing owner occupied dwellings. Refinancing involving a change of lender is also included, while refinancing with the same lender is excluded from all estimates.
- 3** *Personal finance*, other than secured housing finance for owner occupation, is finance provided to individuals for their personal, non-business, use. Both fixed loans and revolving credit finance are included.
- 4** *Commercial finance* is finance provided to individuals and corporations for business or investment purposes, including for the construction or purchase of dwellings for rental or resale. Fixed loans, revolving credit and commercial hire purchase are included.
- 5** *Lease finance* includes finance and leverage leases. Operating lease finance statistics are provided as spreadsheets on AusStats.

### SCOPE

- 6** Finance commitments made by the following types of lenders are included:
  - Banks
  - Permanent building societies
  - Credit unions/cooperative credit societies
  - Life or general insurance companies
  - General government enterprises
  - Superannuation funds
  - Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
  - Other Registered Financial Corporations.

### COVERAGE

- 7** The statistics cover all bank commitments, and all commitments for secured housing finance for owner occupation made by permanent building societies. Of the remaining commitments, the largest lenders for each of secured housing finance for owner occupation, other personal finance, commercial finance and lease finance are covered, so that when calculated separately for each of the four broad categories of purpose finance, at least 95% of Australia-wide finance commitments and at least 90% of each state's finance commitments are covered. While many lenders other than banks are not covered, at least 70% coverage is maintained for all published lender types (including the Other Lenders series and Other Lessors series).
- 8** An annual collection is conducted to maintain and update the survey coverage. New lenders are included as their lending for any of the four categories of finance becomes sufficiently large.
- 9** From June 2001, the statistics for:
  - secured housing finance for owner occupation cover all commitments by banks and permanent building societies, and commitments by all other lenders which provided more than \$50m for housing finance in 2000
  - personal finance cover all commitments by banks, and commitments by all other lenders which provided more than \$96m for personal finance in 2000.
- 10** From June 2002, the statistics for:
  - commercial finance cover all commitments by banks, and commitments by all other lenders which provided more than \$484m for commercial finance in 2001
  - lease finance cover all commitments by banks, and commitments by all other lenders which provided funds of more than \$31m for lease finance in 2001.

## EXPLANATORY NOTES *continued*

### COVERAGE *continued*

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

### REVISIONS

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

**13** Changes in the classification of lenders (e.g. the conversion of a permanent building society to a bank) are reflected in the Lender series from the month of the change. Data for earlier periods for such lenders are not reclassified. Details of the establishment of new banks are published in the Reserve Bank of Australia's monthly *Bulletin* in the section on Technical Notes to Tables.

### SEASONAL ADJUSTMENT

**14** Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects'. A 'trading day effect' reflects the varying amounts of activity on different days of the week and the different number of days of the week in any month (i.e. the number of Sundays, Mondays, etc.). This effect may be partly caused by the reporting practices of the lenders. Adjustment is also made for Easter which may affect the March and April estimates differently. Trading day effects are removed from the original estimates prior to the seasonal adjustment process. Seasonal adjustment does not remove the effect of irregular or non-seasonal influences (e.g. a change in interest rates) from the seasonally adjusted series.

**15** The lending finance series uses a concurrent seasonal adjustment methodology to derive the seasonal adjustment factors. This means that original estimates available at the current reference month are used to estimate seasonal factors for the current and previous months. As a result of this methodology, the seasonally adjusted and trend estimates for earlier periods can be revised each month. However, in most instances, the only noticeable revisions will be to the previous month and the same month a year ago.

### TREND ESTIMATES

**16** Smoothing seasonally adjusted series reduces the impact of the irregular component of the seasonally adjusted series and creates trend estimates. These trend estimates are derived by applying a 13 term Henderson-weighted moving average to all but the last six months of the respective seasonally adjusted series. Trend series are created for the last six months by applying surrogates of the Henderson moving average to the seasonally adjusted series. For further information, refer to *Information Paper: A Guide to Interpreting Time Series—Monitoring Trends: An Overview* (cat. no. 1349.0) or contact the Assistant Director, Time Series Analysis on Canberra (02) 6252 6345 or by email at <timeseries@abs.gov.au>.

**17** While the smoothing technique described in paragraph 16 enables trend estimates to be produced for the latest few months, it does result in revisions to the trend estimates as new data become available. Generally, revisions become smaller over time and, after three months, usually have a negligible impact on the series. Changes in the original data and re-estimation of seasonal factors may also lead to revisions to the trend.

### EFFECTS OF ROUNDING

**18** Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Percentage changes in this publication have been derived from unrounded data.

### ABS DATA AVAILABLE ON REQUEST

**19** Estimates for months prior to those shown in this publication and more detailed series can be purchased in spreadsheet format from the Australian Bureau of Statistics (ABS) web site. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

### RELATED PUBLICATIONS

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

- *Housing Finance, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.0.40.001)

## EXPLANATORY NOTES *continued*

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### RELATED PUBLICATIONS

*continued*

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

**21** In addition, the Reserve Bank of Australia (RBA) produces the monthly *Reserve Bank of Australia Bulletin*, the tables of which are available on the RBA web site <<http://www.rba.gov.au>>. The Australian Prudential Regulation Authority (APRA) also publishes a range of finance statistics on its web site <<http://www.apra.gov.au>>.

**22** Current publications produced by the ABS are listed in the *Catalogue of Publications and Products* (cat. no. 1101.0). The *Catalogue* is available from any ABS office or the ABS web site <<http://www.abs.gov.au>>. The ABS also issues a daily Release Advice on the web site which details products to be released in the week ahead.

## GLOSSARY

<b>Agricultural machinery and equipment</b>	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
<b>Alterations and additions</b>	Comprises all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.
<b>Commitment</b>	Is a firm offer of finance. It either has been, or is normally expected to be, accepted. Commitments accepted and cancelled in the same month are included. Commitments to non-residents are excluded.
<b>Construction and earth moving equipment</b>	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
<b>Construction of dwellings</b>	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
<b>Debt consolidation</b>	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
<b>Dwelling</b>	Is a single self-contained place of residence such as a detached or semidetached house, a terrace house, a flat, home unit, town house, etc. which includes bathing and cooking facilities.
<b>Electronic data processing equipment</b>	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
<b>Established dwelling</b>	Is a dwelling that has been completed for 12 months or more prior to the lodgement of a loan application, or has been previously occupied.
<b>Finance lease</b>	Refers to the leasing or hiring of tangible assets under an agreement, other than a hire purchase agreement, which substantially transfers from the lessor to the lessee all the risks and benefits incident to ownership of the asset without transferring the legal ownership.
<b>Fixed loans</b>	Generally involve: <ul style="list-style-type: none"><li>■ a commitment for a fixed amount for a fixed period for a specific purpose</li><li>■ a schedule of repayments over a fixed period</li><li>■ repayments which reduce the liability of the borrower but do not act to make further finance available.</li></ul>
<b>Heavy trucks</b>	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
<b>Light trucks</b>	Comprises vehicles constructed primarily for the carriage of goods which do not exceed 3.5 tonnes gross vehicle mass such as utilities, panel vans, trucks, cab-chassis, forward control vans and four-wheel drives used to carry goods.
<b>Manufacturing equipment</b>	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
<b>Motor cars and station wagons</b>	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).
<b>Motorcycles</b>	Includes two and three wheeled motorcycles and mopeds, scooters and motorcycles with side cars.
<b>New dwelling</b>	Is a dwelling that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
<b>Office machines</b>	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.

## GLOSSARY *continued*

<b>Purpose</b>	Of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category. Otherwise the whole loan is classified to the major purpose.
<b>Refinancing</b>	For personal and commercial finance, represents a commitment to refinance an existing loan. For secured housing finance, only those loans where the refinancing lender is not the original lender and the security is unchanged are included. The refinancing of a loan to fund a change of residence is treated as a new lending commitment.
<b>Revolving credit</b>	Generally has the following characteristics: <ul style="list-style-type: none"><li>■ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed</li><li>■ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit</li><li>■ repayments (other than of charges and interest) made during the period reduce the extent of the borrowing used and thereby increase the amount of unused credit available up to the authorised limit. Examples include credit cards, lines of credit and approved overdrafts.</li></ul>
<b>Secured credit limits</b>	Includes overdrafts, lines of credit, credit cards, etc. backed by a mortgage or other assets owned by the borrower.
<b>Secured housing finance</b>	Comprises all secured commitments to individuals for the construction or purchase of dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.
<b>Total credit limits at end of month</b>	Comprises total approved credit limits available at the end of the reference month. In principle, this can be derived by adding new and increased lending commitments during the month less cancellations and reductions of credit limits during the month to the balance of credit limits at the end of the previous month. In practice, however, revisions and other adjustments (such as the transfer of an existing fixed credit facility) will mean that such a derivation is inexact.
<b>Wholesale finance</b>	Comprises finance for the purchase of goods by retailers and wholesalers.





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