

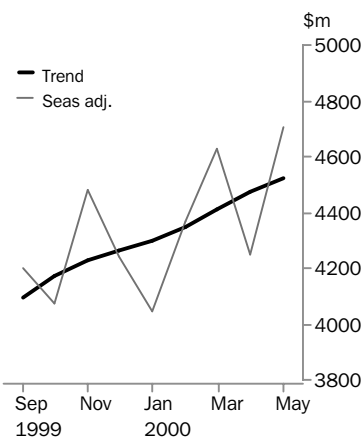


LENDING FINANCE

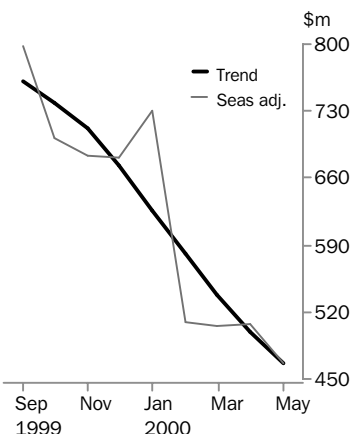
AUSTRALIA

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Personal finance



Lease finance



MAY KEY FIGURES

TREND ESTIMATES	Apr 2000 \$m	May 2000 \$m	% change Apr 2000 to May 2000
Housing finance for owner occupation	6 111	6 007	-1.7
Personal finance	4 476	4 525	1.1
Commercial finance	14 765	14 877	0.8
Lease finance	499	466	-6.6

SEASONALLY ADJUSTED	Apr 2000 \$m	May 2000 \$m	% change Apr 2000 to May 2000
Housing finance for owner occupation	5 885	6 174	4.9
Personal finance	4 251	4 706	10.7
Commercial finance	16 074	14 013	-12.8
Lease finance	508	466	-8.4

MAY KEY POINTS

HOUSING FINANCE FOR OWNER OCCUPATION

- The seasonally adjusted series for the value of housing finance commitments increased by 4.9% in May 2000 following two months of decline. The trend series continued to fall in May although the rate of decline has slowed.

PERSONAL FINANCE

- Commitments for personal finance were up by 10.7% (seasonally adjusted) in May after last month's 8.1% fall. Consequently, the trend series grew slightly, up 1.1%.
- The trend for revolving credit grew by 1.6% in May 2000, influenced by a seasonally adjusted rise of 14.2% (or \$347 million). The trend for fixed lending has strengthened (up 0.4%) along with a seasonally adjusted increase of 5.9% (or \$108 million).

COMMERCIAL FINANCE

- The trend for commercial finance commitments was up slightly in May 2000 (up 0.8%). The fixed loan commitments trend declined by 2.2% in May, while the revolving credit commitments trend growth was up 4.3%.

LEASE FINANCE

- The lease finance trend series continued to decline in May 2000, falling 6.6%, while the seasonally adjusted estimate fell a further 8.4%. The trend series estimate is now at its lowest level since December 1993.

- For further information about these and related statistics, contact Karen Young on Sydney 02 9268 4784, or the National Information Service on 1300 135 070.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
June 2000	11 August 2000
July 2000	11 September 2000
August 2000	20 October 2000
September 2000	15 November 2000
October 2000	12 December 2000
November 2000	19 January 2001



CHANGES IN THIS ISSUE

There are no changes in this issue.



Dennis Trewin
Australian Statistician

SUMMARY OF FINDINGS

HOUSING FINANCE FOR OWNER OCCUPATION

After a sharp fall in March 2000 (down 12.1%) and a further fall in April 2000 (down 1.5%), the seasonally adjusted series for the value of all commitments increased in May 2000 by 4.9% to \$6 174 million. The trend series continued to decline, down 1.7% in May, its fifth successive monthly fall. The average borrowing size has slipped from \$139 200 in April to be \$136 500 in May 2000.

For further information refer to *Housing Finance For Owner Occupation, Australia* (Cat. no. 5609.0)

PERSONAL FINANCE

The seasonally adjusted estimate of total personal finance commitments rose by 10.7% in May 2000, reversing last month's series decline of 8.1%. Both fixed loan commitments (up \$108 million or 5.9%) and revolving loan commitments (up \$347 million or 14.2%) contributed to the strong growth in the total adjusted series which in turn influenced the trend series which now shows strengthening growth of 1.1% (or \$49 million) in May 2000 and upward trend revisions back to January 2000.

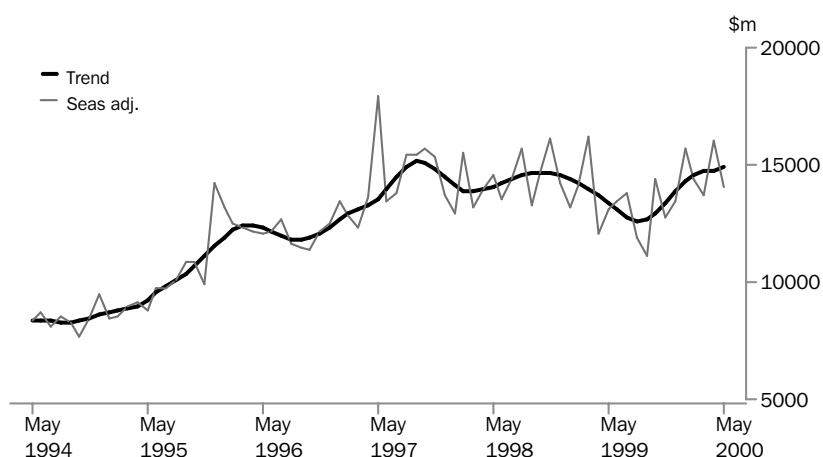
The increase in the seasonally adjusted series for fixed lending has arrested the fall in the corresponding trend series, so that the picture is now one of steady growth (up 0.4% in May) rather than accelerating trend decline. The strong revolving credit adjusted estimate for May (up 14.2%) has wiped out last month's series fall (down 11.8% in April) and caused revisions to the trend series back to November 1999.

COMMERCIAL FINANCE

The trend series for total commercial finance commitments was revised downwards back to January 2000, with growth in May 2000 of 0.8% influenced by a 12.8% fall in the seasonally adjusted series.

The trend for fixed commercial loans declined by 2.2% in May 2000, the fourth successive month of trend decline. The deepening trend series decline follows a fall in the adjusted series of 9.8%. Following two months of growth in excess of 20%, the seasonally adjusted series for revolving credit commitments fell 16% in May 2000. However, the trend series is still under the influence of the previous two month's strong adjusted growth and was up 4.3% in May.

Readers should exercise caution when interpreting the seasonally adjusted data. For further information, see Explanatory Note 10.



LEASE FINANCE

The seasonally adjusted series for lease finance fell significantly in May 2000, down 8.4% (or \$42 million). The trend series declined 6.6% in May 2000 to \$466 million and is now at its lowest level since December 1993.

FINANCE COMMITMENTS, Summary

Month	SECURED HOUSING(a).....		PERSONAL.....			COMMERCIAL.....			LEASE.
	Construction and purchase of dwellings	Alterations and additions	Fixed loan facilities	Revolving credit facilities(b)	Total	Fixed loan facilities	Revolving credit facilities(b)(c)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Original									
1999									
May	5 956	276	1 732	2 252	3 984	7 202	5 467	12 669	863
June	6 282	280	1 952	2 541	4 492	10 531	7 245	17 776	1 188
July	5 894	248	1 762	2 267	4 029	6 626	7 955	14 580	852
August	6 073	258	1 698	2 413	4 112	6 207	5 041	11 247	764
September	6 340	283	1 799	2 492	4 291	7 120	4 412	11 532	785
October	6 591	375	1 784	2 295	4 079	8 070	5 332	13 402	619
November	7 186	292	1 886	2 601	4 486	7 335	5 482	12 817	650
December	6 591	264	1 819	2 477	4 295	8 033	6 964	14 997	746
2000									
January	5 174	213	1 640	1 729	3 369	7 486	4 551	12 037	491
February	6 663	284	1 995	2 100	4 096	7 947	4 947	12 894	470
March	6 946	306	2 129	2 739	4 868	7 847	6 582	14 429	548
April	5 250	223	1 608	2 321	3 929	6 753	7 586	14 339	431
May	6 788	314	2 076	2 950	5 026	8 190	7 152	15 342	500
Seasonally Adjusted									
1999									
May	5 825	n.a.	1 744	2 275	4 019	7 238	5 851	13 089	885
June	5 906	n.a.	1 736	2 242	3 978	7 290	6 184	13 474	772
July	5 780	n.a.	1 772	1 962	3 734	6 220	7 614	13 834	757
August	5 996	n.a.	1 747	2 336	4 083	6 734	5 142	11 876	812
September	6 075	n.a.	1 780	2 420	4 200	6 662	4 454	11 116	797
October	7 024	n.a.	1 927	2 145	4 072	8 672	5 742	14 414	702
November	6 912	n.a.	1 886	2 594	4 480	7 574	5 200	12 774	684
December	6 623	n.a.	1 837	2 404	4 241	6 870	6 541	13 411	681
2000									
January	6 529	n.a.	1 810	2 235	4 045	10 368	5 312	15 680	731
February	6 795	n.a.	1 931	2 437	4 368	9 242	5 188	14 430	510
March	5 971	n.a.	1 862	2 765	4 627	7 238	6 436	13 674	505
April	5 885	n.a.	1 814	2 437	4 251	8 204	7 870	16 074	508
May	6 174	n.a.	1 922	2 784	4 706	7 399	6 614	14 013	466
Trend									
1999									
May	5 714	n.a.	1 749	2 277	4 026	7 169	6 218	13 387	812
June	5 823	n.a.	1 750	2 242	3 992	6 985	6 078	13 063	810
July	5 969	n.a.	1 764	2 229	3 993	6 841	5 887	12 728	798
August	6 152	n.a.	1 787	2 246	4 033	6 847	5 714	12 561	781
September	6 369	n.a.	1 814	2 283	4 097	7 100	5 569	12 669	762
October	6 583	n.a.	1 841	2 329	4 170	7 527	5 423	12 950	739
November	6 719	n.a.	1 859	2 368	4 227	7 990	5 364	13 354	711
December	6 724	n.a.	1 867	2 399	4 266	8 359	5 506	13 865	673
2000									
January	6 608	n.a.	1 866	2 432	4 298	8 513	5 793	14 306	627
February	6 433	n.a.	1 864	2 482	4 346	8 473	6 091	14 564	582
March	6 263	n.a.	1 866	2 543	4 409	8 320	6 387	14 707	538
April	6 111	n.a.	1 869	2 607	4 476	8 090	6 675	14 765	499
May	6 007	n.a.	1 877	2 648	4 525	7 915	6 962	14 877	466

(a) For owner occupation.

(c) See Explanatory Note 10 on page 11 for further information on the seasonally adjusted data for this series.

(b) New increased credit limits during the period; includes credit cards.

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HOUSING AND PERSONAL FINANCE COMMITMENTS, By Type of Lender: Original

Month	HOUSING FINANCE(a).....					PERSONAL FINANCE.....				
	All banks	Permanent building societies	Mortgage managers	Other lenders	Total	All banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1999										
March	5 394	231	498	287	6 410	3 280	313	663	139	4 395
April	4 643	188	442	240	5 513	2 965	272	564	125	3 926
May	5 053	181	473	250	5 956	2 979	271	604	131	3 984
June	5 292	215	506	270	6 282	3 458	275	615	145	4 492
July	4 951	199	495	249	5 894	3 036	257	575	161	4 029
August	5 064	222	543	244	6 073	3 138	254	576	144	4 112
September	5 253	234	597	255	6 340	3 284	266	554	187	4 291
October	5 581	214	554	242	6 591	3 132	255	537	154	4 079
November	5 982	231	695	279	7 186	3 435	272	589	190	4 486
December	5 584	189	554	264	6 591	3 253	271	585	187	4 295
2000										
January	4 372	133	441	228	5 174	2 544	221	487	116	3 369
February	5 655	208	526	275	6 663	3 087	263	582	163	4 096
March	5 825	225	587	309	6 946	3 796	302	633	137	4 868
April	4 365	156	492	237	5 250	3 110	233	473	113	3 929
May	5 760	174	573	280	6 788	3 964	292	633	138	5 026

(a) Excludes alterations and additions.

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COMMERCIAL AND LEASE FINANCE COMMITMENTS, By Type of Lender: Original

Month	COMMERCIAL FINANCE.....					LEASE FINANCE.....				
	All banks	Money market corporations	Finance companies	Other lenders	Total	All banks	General financiers	Finance companies	Other lessors(a)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1999										
March	15 590	812	456	580	17 439	341	129	348	12	830
April	9 425	560	329	475	10 789	284	134	309	17	744
May	10 911	784	324	650	12 669	345	130	353	35	863
June	16 097	624	332	723	17 776	475	196	454	62	1 188
July	12 560	1 134	268	618	14 580	305	138	344	66	852
August	9 777	514	354	602	11 247	258	125	302	78	764
September	10 150	480	367	536	11 532	293	113	283	96	785
October	11 245	1 205	352	599	13 402	229	117	219	54	619
November	11 417	358	360	681	12 817	255	114	223	58	650
December	13 076	914	404	603	14 997	309	181	202	53	746
2000										
January	10 588	640	260	549	12 037	177	132	145	38	491
February	11 140	742	347	665	12 894	227	76	125	41	470
March	11 619	1 356	399	1 057	14 429	238	94	146	70	548
April	10 057	2 948	305	1 030	14 339	168	100	115	47	431
May	13 502	451	424	965	15 342	198	94	152	56	500

(a) Includes money market corporations.

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PERSONAL FINANCE COMMITMENTS, Fixed Loan Facilities: Original

Month	New motor cars and station wagons	Used motor cars and station wagons	Total motor vehicles(a)	Individual residential blocks of land	Unsecured owner occupied housing finance(b)	Debt consolidation	Refinancing	Other(c)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1999									
March	307	491	860	144	49	187	231	555	2 027
April	268	414	737	110	40	147	200	435	1 669
May	278	456	805	123	41	137	223	403	1 732
June	297	471	838	133	43	154	242	543	1 952
July	287	478	821	117	42	140	209	433	1 762
August	274	473	804	116	39	132	209	399	1 698
September	291	486	838	114	43	137	216	451	1 799
October	288	476	832	104	45	138	217	447	1 784
November	316	489	879	116	43	145	237	465	1 886
December	340	482	890	106	40	131	215	437	1 819
2000									
January	275	456	784	79	33	124	198	422	1 640
February	331	513	913	111	42	152	255	523	1 995
March	328	541	951	126	50	171	275	556	2 129
April	253	408	722	96	44	131	217	398	1 608
May	320	507	903	131	42	149	286	565	2 076

(a) Includes motor cycles and other motor vehicles.

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

(b) Includes alterations and additions.

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PERSONAL FINANCE COMMITMENTS, Revolving Credit Facilities: Original

Month	NEW AND INCREASED CREDIT LIMITS			Cancellations and reductions	CREDIT LIMITS AT END OF MONTH.....	
	Secured	Unsecured	Total		Total available	Used
	\$m	\$m	\$m	\$m	\$m	\$m
1999						
March	1 385	982	2 368	519	75 306	33 631
April	1 103	1 155	2 257	776	76 477	33 671
May	1 103	1 149	2 252	549	77 559	33 882
June	1 359	1 182	2 541	596	80 013	34 683
July	1 147	1 120	2 267	811	82 574	35 589
August	1 137	1 276	2 413	572	84 402	36 383
September	1 291	1 201	2 492	507	86 561	37 126
October	1 189	1 106	2 295	805	88 041	38 072
November	1 326	1 275	2 601	599	90 246	38 648
December	1 226	1 251	2 477	690	92 124	40 040
2000						
January	945	783	1 729	919	92 932	40 382
February	1 062	1 038	2 100	576	94 448	41 302
March	1 348	1 391	2 739	838	96 257	42 351
April	959	1 362	2 321	805	97 337	42 351
May	1 322	1 628	2 950	1 021	99 255	43 661

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COMMERCIAL FINANCE COMMITMENTS, Fixed Loan Facilities: Original

Month	Construction finance \$m	Purchase of real property \$m	Wholesale finance \$m	Purchase of plant and equipment \$m	Factoring \$m	Refinancing \$m	Other \$m	Total \$m	Commitments not drawn at end of month \$m
1999									
March	943	2 677	527	718	133	1 491	3 093	9 582	9 296
April	555	2 228	201	549	141	406	1 584	5 665	8 772
May	830	2 469	224	633	121	666	2 259	7 202	8 780
June	693	2 979	314	738	102	1 705	4 000	10 531	9 850
July	818	2 594	145	632	94	574	1 771	6 626	9 284
August	788	2 707	97	569	110	577	1 359	6 207	9 569
September	838	2 724	170	764	119	612	1 893	7 120	10 169
October	745	2 929	158	635	89	697	2 815	8 070	11 238
November	783	3 279	268	647	90	601	1 666	7 335	11 696
December	705	3 305	210	745	154	593	2 320	8 033	11 256
2000									
January	714	2 362	190	580	75	1 101	2 464	7 486	11 561
February	485	3 277	301	695	111	1 214	1 863	7 947	12 270
March	747	3 457	606	743	149	693	1 452	7 847	12 200
April	670	2 531	675	621	114	487	1 655	6 753	12 295
May	664	3 280	545	750	157	412	2 382	8 190	11 429

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REVOLVING COMMERCIAL FINANCE AND LEASE FINANCE COMMITMENTS: Original

Month	REVOLVING CREDIT FACILITIES.....				LEASE FINANCE FACILITIES..		
	New and increased credit limits \$m	Cancellations and reductions \$m	Total credit limits at end of month \$m	Credit limits used at end of month \$m	Total commitments \$m	Commitments not drawn at end of month \$m	
1999							
March	7 856	6 715	209 866	119 902	830	332	
April	5 124	4 624	211 322	118 870	744	329	
May	5 467	4 598	212 423	120 846	863	286	
June	7 245	7 751	204 899	117 191	1 188	163	
July	7 955	8 385	206 909	115 046	852	362	
August	5 041	5 413	206 346	115 883	764	306	
September	4 412	5 111	205 573	116 497	785	285	
October	5 332	4 237	206 192	117 565	619	285	
November	5 482	3 697	209 219	119 450	650	358	
December	6 964	6 430	208 197	119 695	746	338	
2000							
January	4 551	4 336	206 865	117 874	491	359	
February	4 947	4 861	207 049	118 197	470	387	
March	6 582	4 408	209 500	117 558	548	379	
April	7 586	3 676	213 354	119 014	431	366	
May	7 152	7 769	213 786	121 272	500	374	

FINANCE COMMITMENTS FOR HOUSING(a): Original

Month	SECURED, FOR OWNER OCCUPATION.....					UNSECURED, PERSONAL FINANCE		COMMERCIAL FINANCE.....			Total
	Construction of dwellings	Purchase of newly erected dwellings	Purchase of established dwellings under new finance	Refinancing for established dwellings	Alterations and additions	Purchase and construction of dwellings	Alterations and additions	Construction of dwellings for rent or resale	Purchase of dwellings for rent or resale by individuals	Purchase of dwellings for rent or resale by others	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1999											
March	1 001	263	4 153	993	319	20	30	264	1 889	262	9 194
April	826	223	3 640	824	262	15	24	294	1 574	231	7 915
May	876	235	3 972	873	276	16	26	329	1 788	271	8 662
June	949	258	4 093	982	280	17	26	328	2 016	348	9 297
July	885	244	3 899	866	248	17	24	391	1 786	262	8 623
August	950	223	3 957	944	258	15	24	390	1 851	276	8 888
September	995	244	4 150	951	283	15	27	258	1 854	265	9 042
October	1 002	268	4 336	985	375	15	30	379	2 108	268	9 766
November	1 070	257	4 747	1 111	292	15	29	388	2 346	349	10 605
December	951	225	4 415	1 000	264	14	26	274	2 189	314	9 672
2000											
January	754	186	3 435	799	213	13	21	366	1 668	229	7 683
February	1 005	270	4 327	1 062	284	14	27	305	2 306	309	9 910
March	936	257	4 583	1 170	306	18	32	380	2 417	261	10 361
April	665	185	3 516	883	223	21	23	335	1 823	236	7 911
May	828	247	4 466	1 246	314	16	27	405	2 432	305	10 285

(a) Includes commitments to refinance loans where the principal purpose is for alterations and/or additions to dwellings.

FINANCE COMMITMENTS FOR MOTOR VEHICLES(a): Original

PERSONAL FINANCE.....

Month	New motor cars and station wagons	Used motor cars and station wagons	Motor cycles	Other motor vehicles	Total	Commercial finance	Lease finance	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
1999								
March	307	491	17	45	860	392	456	1 708
April	268	414	15	41	737	324	427	1 488
May	278	456	26	45	805	349	459	1 613
June	297	471	15	55	838	438	600	1 876
July	287	478	15	41	821	352	454	1 627
August	274	473	16	40	804	344	405	1 552
September	291	486	17	45	838	361	356	1 555
October	288	476	17	51	832	336	284	1 452
November	316	489	17	57	879	344	301	1 524
December	340	482	16	52	890	407	299	1 596
2000								
January	275	456	14	39	784	294	194	1 272
February	331	513	18	51	913	394	197	1 504
March	328	541	18	64	951	409	215	1 575
April	253	408	14	46	722	357	167	1 246
May	320	507	17	59	903	420	221	1 544

(a) Excludes revolving credit facilities.

LEASE FINANCE COMMITMENTS FOR MOTOR VEHICLES: Original

Month	MOTOR CARS & STATION WAGONS....		LIGHT TRUCKS.....		HEAVY TRUCKS		Other motor vehicles	Total
	New	Used	New	Used	New	Used		
	\$m	\$m	\$m	\$m	\$m	\$m		
1999								
March	248	74	49	11	37	14	23	456
April	238	71	33	8	28	29	20	427
May	257	77	36	9	43	19	18	459
June	327	96	62	13	53	20	29	600
July	248	73	45	10	39	16	22	454
August	224	72	31	7	43	12	17	405
September	201	52	30	7	32	17	16	356
October	172	44	25	5	20	8	10	284
November	156	43	30	4	25	16	28	301
December	183	45	28	5	19	8	11	299
2000								
January	122	32	12	3	14	5	7	194
February	117	32	17	6	11	7	8	197
March	127	33	14	4	23	5	8	215
April	99	26	12	3	12	7	8	167
May	128	33	18	4	13	15	11	221

FINANCE COMMITMENTS FOR PLANT AND EQUIPMENT(a): Original

COMMERCIAL FINANCE.....

Month	Transport equipment(b)	Other plant and equipment	Total	Lease finance	Total
	\$m	\$m	\$m	\$m	\$m
1999					
March	43	283	327	374	701
April	41	185	226	317	542
May	55	228	283	404	687
June	62	238	300	588	888
July	76	204	279	399	678
August	43	182	225	359	584
September	60	343	403	429	832
October	60	239	299	335	634
November	39	265	303	348	652
December	61	277	338	447	785
2000					
January	40	246	286	297	583
February	46	255	301	273	574
March	64	270	334	333	667
April	46	219	265	264	529
May	44	286	330	280	609

(a) Excludes revolving credit facilities.

(b) Excludes motor vehicles, see Table 9.

LEASE FINANCE COMMITMENTS FOR PLANT AND EQUIPMENT: Original

Month	Transport equipment(a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manufact- uring 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
1999									
March	13	38	55	54	89	38	27	60	374
April	11	31	46	48	73	39	30	39	317
May	23	40	67	58	98	48	23	47	404
June	21	53	87	108	135	65	36	84	588
July	45	24	37	50	117	56	26	43	399
August	7	28	37	57	106	54	26	43	359
September	8	30	34	88	136	53	22	57	429
October	11	17	38	52	89	47	27	53	335
November	16	14	24	44	114	55	29	52	348
December	23	11	17	88	169	48	39	52	447
2000									
January	7	13	14	41	135	39	16	32	297
February	11	21	22	35	87	40	13	43	273
March	6	48	20	37	90	55	46	30	333
April	11	30	19	23	83	44	26	27	264
May	6	24	22	30	95	44	31	28	280

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

EXPLANATORY NOTES

SCOPE

1 Commitments made by the following types of lenders are included in these statistics:

- Banks;
- Permanent building societies;
- Credit unions/co-operative credit societies;
- Life or general insurance companies;
- General government enterprises;
- Organisations raising funds through the secondary mortgage market for approved home buyers under State government housing schemes;
- Superannuation funds;
- Other corporations registered under the *Financial Corporations Act 1974*; and
- Other providers of consumer finance registered with State credit tribunals, including mortgage managers.

COVERAGE

2 The statistics cover significant lenders only. Significant lenders account in aggregate for at least 95% of the Australian total and at least 90% of each State total of the value of commitments for secured housing finance for owner occupation, other personal finance, commercial finance and lease finance, each calculated separately.

3 An annual collection is conducted to maintain coverage of significant lenders. In addition, new lenders are included in the series as their level of lending becomes significant. All banks qualify as significant lenders and are therefore included.

CATEGORIES OF LENDING FINANCE

4 *Secured housing finance for owner occupation* is secured finance to individuals for 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.

5 *Personal finance* is finance provided to individuals for their personal, non-business, use. Both fixed loans and revolving credit finance are included; secured housing finance and loans for investment purposes are excluded.

6 *Commercial finance* is finance provided to individuals and corporations for business or investment purposes. Fixed loans, revolving credit and commercial hire purchase are included.

7 *Lease finance* includes finance and leverage leases. Operating lease finance data, though excluded, is available from the ABS on request.

REVISIONS

8 Revisions to previously published statistics are included as they occur.

SEASONAL ADJUSTMENT

9 Seasonal adjustment is a means of removing the estimated effects of normal seasonal variation and 'trading day effects' (arising from the varying amounts of activity on different days of the week and the varying 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 (for example, a change in interest rates) from the series.

EXPLANATORY NOTES

- SEASONAL ADJUSTMENT *continued*
- 10** There is some evidence that a change may be occurring in the seasonal patterns of both the fixed and revolving credit components of the commercial finance series. 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. A number of years of data is required before changes in seasonal patterns are fully reflected in the seasonally adjusted series. In these circumstances, especially, the trend estimate is a more reliable indicator of underlying movements in the series, although it should be recognised that the more volatile the seasonally adjusted series, the larger the monthly revisions which can be expected in the most recently published trend series estimates.
- TREND ESTIMATES
- 11** 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 months of the respective seasonally adjusted series except the last six months. 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 *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.
- 12** While the smoothing technique described in paragraph 11 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.
- RELATED PUBLICATIONS
- 13** Users may also wish to refer to the following publications:
- *Building Activity Australia: Dwelling Unit Commencements* (Cat. no. 8750.0)
 - *Building Approvals, Australia* (Cat. no. 8731.0)
 - *Housing Finance for Owner Occupation, Australia* (Cat. no. 5609.0)
 - *Private New Capital Expenditure and Expected Expenditure, Australia* (Cat. no. 5625.0)
 - *New Motor Vehicle Registrations, Australia: Preliminary* (Cat. no. 9301.0)
- 14** Users may also wish to refer to the *Reserve Bank of Australia, Bulletin* for further information on the lending position of banks and other financial institutions.
- UNPUBLISHED DATA
- 15** Estimates for months prior to those shown in this publication and more detailed commitment series by purpose, type of facility and industry are available. There may be a charge for this information, depending on the volume of data requested.
- 16** Detailed data are also available from PC Ausstats, the ABS on-line time series data service under the subject *Financial Surveys*, then the titles *Housing Finance for Owner Occupation, Personal Finance, Commercial Finance* and *Lease Finance*.

EXPLANATORY NOTES



EFFECTS OF ROUNDING **17** Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

SYMBOLS AND OTHER USAGES n.a. not available
 n.p. not available for publication but included in totals where applicable
 n.y.a. not yet available



G L O S S A R Y

Agricultural machinery and equipment	Includes tractors, tillage implements, seeding planting and fertilising equipment, agricultural mowers, harvesters, etc.
Alterations and additions	Comprise 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	A lending 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	For secured housing finance, 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 place of residence such as a house, semi-detached house, flat, home unit, town house, terrace 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 which has been completed for more than 12 months prior to the lodgement of a loan application, or which has been previously occupied.
Finance lease	A finance lease refers to the leasing or hiring of tangible assets under an agreement, other than a hire purchase agreement, which transfers from the lessor to the lessee substantially all the risks and benefits incident to ownership of the asset without transferring the legal ownership.
Fixed loan facilities	Fixed loan facilities generally involve: <ul style="list-style-type: none">▪ a commitment for a fixed amount for a fixed period for a specific purpose;▪ a schedule of repayments over a fixed period; and▪ repayments which reduce the liability of the borrower but do not act to make further finance available.
Heavy trucks	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
Light trucks	Comprises vehicles constructed primarily for the carriage of goods which do not exceed 3.5 tonnes gross vehicle mass such as utilities, panel vans, trucks, cab-chassis, forward control vans and four-wheel drives used to carry goods.
Manufacturing equipment	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
Motor cars and station wagons	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).

GLOSSARY

Motor cycles	Includes two and three wheeled motor cycles and mopeds, scooters and motor cycles with side cars.
Newly erected dwelling	A new 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.
Purpose	The purpose of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category; otherwise the whole loan is classified to the major purpose.
Refinancing	For personal and commercial finance, represents a commitment to refinance an existing loan. For secured housing finance, only those loans where the refinancing lender is not the original lender and the security is unchanged are included. The refinancing of a loan to fund a change of residence is treated as a new lending commitment.
Revolving credit facilities	Revolving credit facilities generally have the following characteristics: <ul style="list-style-type: none">▪ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed;▪ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit; and▪ repayments (other than of charges and interest) made during the period reduce the extent of the borrowing used and thereby increase the amount of unused credit available up to the authorised limit. Examples include credit cards, lines of credit and approved overdrafts.
Secured credit limits	Includes overdrafts, lines of credit, credit cards etc. backed by a mortgage or other assets owned by the borrower.
Secured housing finance	This 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.
Significant lenders	Significant lenders include, but are not restricted to, those lenders who, Australia wide during the calendar year 1998, committed funds of more than: <ul style="list-style-type: none">▪ \$103 million for Secured housing finance for owner-occupation; or▪ \$74 million for Personal finance; or▪ \$550 million for Commercial finance; or▪ \$62 million for Lease finance.
Total credit limits at end of period	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 period less cancellations and reductions of credit limits during the period to the balance of credit limits at the end of the previous period. 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.

FOR MORE INFORMATION...

- INTERNET* **www.abs.gov.au** the ABS web site is the best place to start for access to summary data from our latest publications, information about the ABS, advice about upcoming releases, our catalogue, and Australia Now—a statistical profile.
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- DIAL-A-STATISTIC* For the latest figures for National Accounts, Balance of Payments, Labour Force, Average Weekly Earnings, Estimated Resident Population and the Consumer Price Index call 1900 986 400 (call cost 77c per minute).

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