



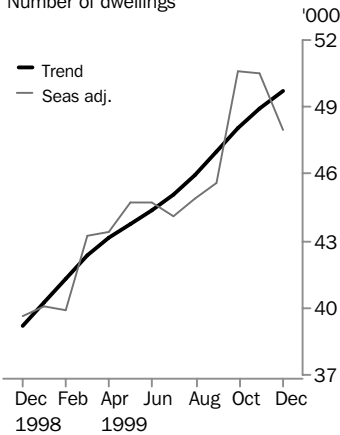
HOUSING FINANCE FOR OWNER OCCUPATION

AUSTRALIA

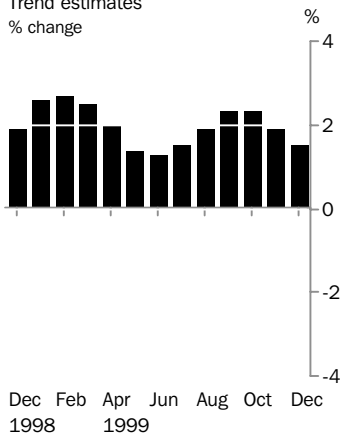
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Housing finance

Number of dwellings



Number of dwellings

Trend estimates
% change

- For further information about these and related statistics, contact Karen Young on Sydney 02 9268 4784, or Client Services in any ABS office as shown on the back cover of this publication.

DECEMBER KEY FIGURES

TREND ESTIMATES

	Dec 1999	% change Nov 1999 to Dec 1999	% change Dec 1998 to Dec 1999
Number of dwellings financed	49 702	1.5	26.7
Construction of dwellings	7 297	1.0	23.0
Purchase of new dwellings	1 535	-1.4	-4.1
Purchase of established dwellings	40 870	1.7	29.0

SEASONALLY ADJUSTED

	Dec 1999	% change Nov 1999 to Dec 1999	% change Dec 1998 to Dec 1999
Number of dwellings financed	47 976	-5.0	21.0
Construction of dwellings	6 956	-7.6	17.7
Purchase of new dwellings	1 457	-4.5	-12.3
Purchase of established dwellings	39 563	-4.5	23.4

DECEMBER KEY POINTS

TREND ESTIMATES

- The trend estimate for the total number of dwellings financed for owner occupation grew by 1.5% in December 1999, with the series excluding refinancing growing by 0.9%.
- The estimate of construction finance commitments increased by 1.0%, with commitments to purchase established dwellings also rising, up 1.7%. Conversely, commitments to purchase newly erected dwellings decreased for the seventh consecutive month, down 1.4% in December.

SEASONALLY ADJUSTED ESTIMATES

- The number of dwellings financed, seasonally adjusted, fell sharply in December, down 5.0% to 47 976 commitments.
- Finance for the construction of dwellings and finance for the purchase of newly erected dwellings both fell in December, down 7.6% and 4.5% respectively.
- Refinancing commitments also fell, decreasing 5.6% in December with commitments to purchase established dwellings also falling, down 4.5%.

ORIGINAL ESTIMATES

- The average borrowing size rose to \$139 700 in December, up \$2 400 from the previous month.

NOTES

FORTHCOMING ISSUES

ISSUE	RELEASE DATE
January 2000	9 March 2000
February 2000	7 April 2000
March 2000	15 May 2000
April 2000	7 June 2000
May 2000	11 July 2000
June 2000	9 August 2000

CHANGES IN THIS ISSUE

There are no changes in this issue.

SENSITIVITY ANALYSIS

Readers should exercise care when interpreting this month's trend estimates because they will be revised when next month's seasonally adjusted estimates become available.

For further information, see Explanatory Notes 15 to 17.

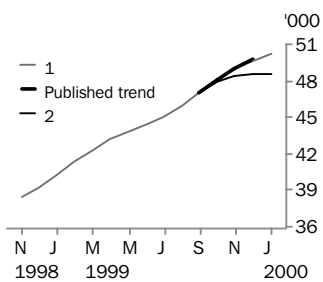
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The January 2000 seasonally adjusted estimate of number of dwellings financed is *higher* than the December 1999 seasonally adjusted estimate by 4.0%.

2 The January 2000 seasonally adjusted estimate of number of dwellings financed is *lower* than the December 1999 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:			
	estimate	% change	1 <i>rises by 4% on Dec 1999</i>		2 <i>falls by 4% on Dec 1999</i>	
			estimate	% change	estimate	% change
July 1999	45 065	1.5	45 069	1.6	45 144	1.7
August 1999	45 928	1.9	45 935	1.9	46 065	2.0
September 1999	46 983	2.3	46 981	2.3	47 046	2.1
October 1999	48 057	2.3	48 061	2.3	47 889	1.8
November 1999	48 968	1.9	48 989	1.9	48 420	1.1
December 1999	49 702	1.5	49 697	1.4	48 626	0.4
January 2000 (new)	—	—	50 213	1.0	48 597	-0.1

W. McLennan
Australian Statistician

HOUSING FINANCE: Summary of findings

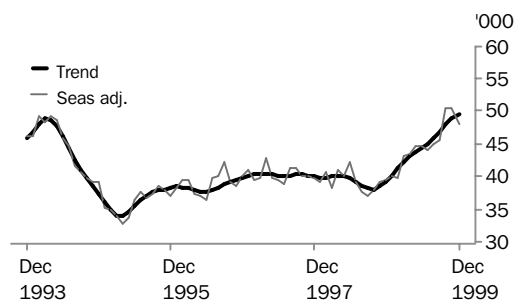
NUMBER OF DWELLINGS FINANCED

DWELLINGS FINANCED

Growth in the trend estimate for the total number of dwellings financed for owner occupation slowed in December, up 1.5%, strongly influenced by the sharp fall of 5.0% in the seasonally adjusted series. Trend growth in the series for construction finance and finance for the purchase of established dwellings slowed, recording increases of 1.0% and 1.7% respectively, while finance for the purchase of newly erected dwellings declined, for the seventh consecutive month, by 1.4%.

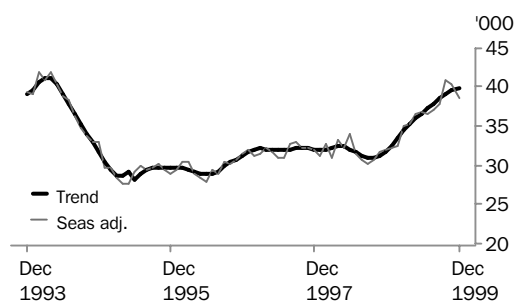
The December seasonally adjusted estimate of 47 976 is 2 582 units below October's series high of 50 558 with declines in all series contributing to the overall 5.0% fall. Seasonally adjusted, construction finance commitments fell 7.6%, and finance for the purchase of newly erected dwellings fell for the second successive month, down 4.5%. Finance for the purchase of established dwellings fell 4.5% under the influence of a fall of 5.6% in refinancing commitments and a fall of 4.2% in non-refinancing commitments.

The trend series for all housing finance commitments increased in all States except the Northern Territory and Tasmania, with all other States contributing increases in the range 1.4% to 2.1%. There were seasonally adjusted decreases in all States with Tasmania (down 17.0%), the ACT (down 16.7%), and the Northern Territory (down 14.7%) recording the most significant falls.



DWELLINGS FINANCED EXCLUDING REFINANCING

The December 1999 trend estimate for the total number of dwellings financed excluding refinancing increased slightly by 0.9%, with the seasonally adjusted series falling by 4.8% to 38 499 commitments.



VALUE OF COMMITMENTS

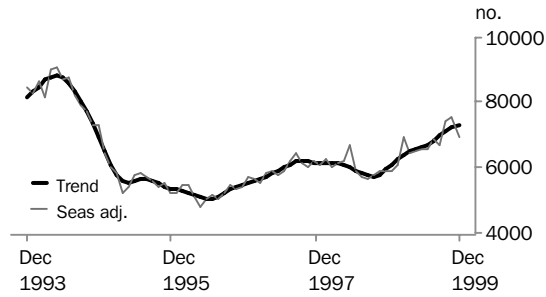
The trend series for the value of commitments rose by 2.1% in December 1999 with a fall of 4.2% in the seasonally adjusted series.

HOUSING FINANCE: Summary of findings

PURPOSE OF FINANCE

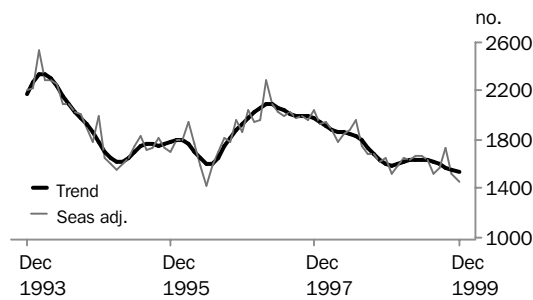
CONSTRUCTION OF DWELLINGS

A fall of 7.6% in the seasonally adjusted series for construction finance has led to growth in the corresponding trend series slowing, increasing only 1.0% in December. The seasonally adjusted series continues to fluctuate with this month's fall reversing a significant proportion of the increases recorded over the last two months.



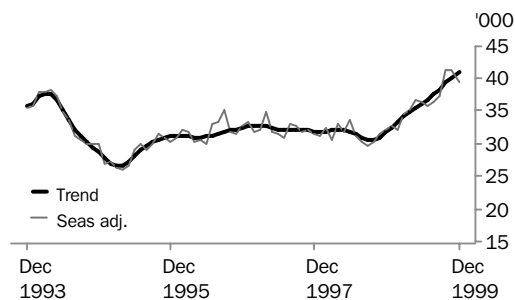
PURCHASE OF NEW DWELLINGS

Growth in the trend series for commitments to finance the purchase of newly erected dwellings continued to decline, falling 1.4% in December, the seventh successive month of negative growth.



PURCHASE OF ESTABLISHED DWELLINGS

The trend for commitments to purchase established dwellings increased only 1.7% in December, strongly influenced by a 4.5% fall in the seasonally adjusted series.

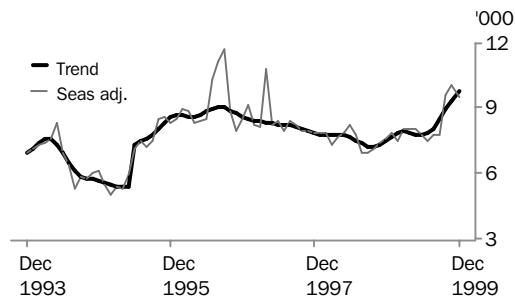


HOUSING FINANCE: Summary of findings

PURPOSE OF FINANCE *continued*

REFINANCING

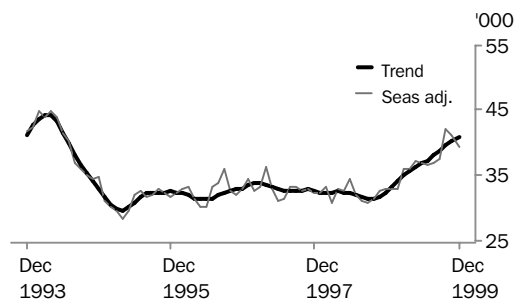
After the exceptionally strong growth recorded in October (up 23.2%) and further growth in November (up 4.7%), the seasonally adjusted series for refinancing has fallen by 5.6% in December to 9 477 commitments, 567 commitments below November's series high of 10 044. Nevertheless, the number of refinancing commitments for the past three months have been significantly above that for the past few years.



TYPE OF LENDER

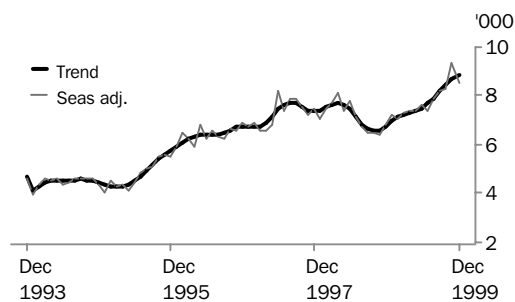
BANKS

The seasonally adjusted series for commitments by banks fell by 4.0% to 39 474 in December 1999 with the trend growth continuing to slow, increasing only 1.4% in December.



NON-BANKS

The seasonally adjusted series for non-banks decreased by 9.2% in December, partially reversing the 13.1% increase recorded in November. The trend series increased by 2.1%.





HOUSING FINANCE COMMITMENTS(a), By Purpose

Month	CONSTRUCTION OF DWELLINGS		PURCHASE OF NEWLY ERECTED DWELLINGS.....		REFINANCING OF ESTABLISHED DWELLINGS.....		TOTAL PURCHASE OF ESTABLISHED DWELLINGS(b)...		TOTAL.....	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
1998										
October	5 835	721	1 740	230	7 046	719	30 164	3 623	37 739	4 574
November	5 723	712	1 710	246	7 425	794	32 027	4 008	39 460	4 966
December	5 674	730	1 627	236	7 064	757	31 428	3 999	38 729	4 964
1999										
January	4 481	561	1 188	169	5 948	625	26 178	3 281	31 847	4 010
February	6 005	750	1 506	213	7 254	793	31 548	3 950	39 059	4 914
March	7 774	1 001	1 851	263	9 110	993	39 815	5 147	49 440	6 410
April	6 558	826	1 601	223	7 569	824	34 436	4 464	42 595	5 513
May	6 587	876	1 666	235	8 139	873	37 245	4 846	45 498	5 956
June	6 993	949	1 750	258	8 452	982	38 469	5 075	47 212	6 282
July	6 674	885	1 650	244	7 878	866	36 270	4 764	44 594	5 894
August	6 977	950	1 557	223	8 375	944	36 608	4 900	45 142	6 073
September	7 139	995	1 621	244	8 590	951	38 479	5 101	47 239	6 340
October	7 123	1 002	1 696	268	8 905	985	39 216	5 321	48 035	6 591
November	7 621	1 070	1 678	257	10 069	1 111	43 057	5 858	52 356	7 186
December	6 662	951	1 424	224	8 849	998	39 070	5 413	47 156	6 589
SEASONALLY ADJUSTED										
1998										
October	5 770	718	1 678	230	7 173	745	30 430	3 687	37 878	4 636
November	5 925	742	1 622	232	7 450	810	31 654	3 900	39 201	4 873
December	5 908	750	1 661	239	7 556	810	32 068	4 073	39 637	5 062
1999										
January	5 880	746	1 517	216	7 901	831	32 654	4 188	40 051	5 149
February	6 101	775	1 581	226	7 502	816	32 256	4 121	39 938	5 121
March	6 958	880	1 660	235	8 072	874	34 570	4 467	43 188	5 582
April	6 448	830	1 639	235	8 007	883	35 294	4 590	43 381	5 655
May	6 480	866	1 671	237	8 049	868	36 598	4 721	44 749	5 825
June	6 556	897	1 671	241	7 816	852	36 460	4 769	44 687	5 906
July	6 546	838	1 632	243	7 505	834	35 921	4 700	44 099	5 780
August	6 880	930	1 518	217	7 792	887	36 520	4 849	44 918	5 996
September	6 718	933	1 573	232	7 786	882	37 321	4 910	45 612	6 075
October	7 399	1 046	1 741	281	9 595	1 066	41 418	5 697	50 558	7 024
November	7 529	1 062	1 525	235	10 044	1 124	41 440	5 615	50 494	6 912
December	6 956	985	1 457	225	9 477	1 060	39 563	5 410	47 976	6 620
TREND ESTIMATES										
1998										
October	5 736	720	1 681	231	7 223	758	30 677	3 719	38 094	4 670
November	5 801	731	1 629	229	7 319	776	31 048	3 838	38 478	4 798
December	5 933	748	1 601	228	7 498	802	31 688	3 984	39 222	4 960
1999										
January	6 102	772	1 595	228	7 698	828	32 530	4 143	40 227	5 143
February	6 266	798	1 608	229	7 845	847	33 424	4 294	41 298	5 322
March	6 406	823	1 625	232	7 917	857	34 305	4 430	42 336	5 485
April	6 500	843	1 639	233	7 895	858	35 031	4 536	43 170	5 612
May	6 552	858	1 643	235	7 804	854	35 595	4 621	43 790	5 714
June	6 603	875	1 642	236	7 747	854	36 135	4 712	44 380	5 823
July	6 683	897	1 631	238	7 827	870	36 751	4 827	45 065	5 962
August	6 810	926	1 614	239	8 079	903	37 504	4 970	45 928	6 136
September	6 971	960	1 597	241	8 476	951	38 415	5 139	46 983	6 340
October	7 115	992	1 579	242	8 932	1 003	39 363	5 312	48 057	6 546
November	7 223	1 018	1 557	242	9 365	1 051	40 188	5 464	48 968	6 723
December	7 297	1 037	1 535	240	9 751	1 093	40 870	5 586	49 702	6 863

(a) Excludes alterations and additions.

(b) Includes refinancing.

HOUSING FINANCE COMMITMENTS(a), By Type of Lender

Month	ALL BANKS.....		PERMANENT BUILDING SOCIETIES.....		MORTGAGE MANAGERS.....		TOTAL OTHER LENDERS(b).....		TOTAL.....	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
1998										
October	31 177	3 811	1 487	175	2 583	362	5 075	589	37 739	4 574
November	32 840	4 188	1 495	188	2 551	371	5 125	590	39 460	4 966
December	32 322	4 219	1 498	187	2 192	318	4 909	558	38 729	4 964
1999										
January	26 126	3 334	1 255	150	2 293	326	4 466	526	31 847	4 010
February	32 085	4 092	1 660	193	2 728	399	5 314	628	39 059	4 914
March	41 181	5 394	1 935	231	3 317	498	6 324	785	49 440	6 410
April	35 557	4 643	1 595	188	2 896	442	5 443	682	42 595	5 513
May	38 123	5 053	1 565	181	3 040	473	5 810	722	45 498	5 956
June	39 305	5 292	1 770	215	3 292	506	6 137	776	47 212	6 282
July	36 972	4 951	1 685	199	3 248	495	5 937	744	44 594	5 894
August	37 114	5 064	1 855	222	3 515	543	6 173	787	45 142	6 073
September	38 562	5 253	1 987	234	3 906	597	6 690	852	47 239	6 340
October	39 917	5 581	1 856	214	3 619	554	6 262	796	48 035	6 591
November	42 585	5 982	1 993	231	4 739	695	7 778	974	52 356	7 186
December	39 090	5 584	1 626	189	3 654	552	6 440	816	47 156	6 589
SEASONALLY ADJUSTED										
1998										
October	31 396	3 886	1 476	175	n.y.a.	n.y.a.	5 005	576	37 878	4 636
November	32 766	4 112	1 549	191	n.y.a.	n.y.a.	4 886	570	39 201	4 873
December	32 834	4 263	1 566	190	n.y.a.	n.y.a.	5 237	609	39 637	5 062
1999										
January	32 830	4 276	1 622	196	n.y.a.	n.y.a.	5 599	677	40 051	5 149
February	32 902	4 295	1 598	194	n.y.a.	n.y.a.	5 438	632	39 938	5 121
March	35 913	4 693	1 663	198	n.y.a.	n.y.a.	5 612	691	43 188	5 582
April	36 007	4 763	1 694	193	n.y.a.	n.y.a.	5 680	700	43 381	5 655
May	37 364	4 936	1 556	181	n.y.a.	n.y.a.	5 829	708	44 749	5 825
June	37 040	4 949	1 622	194	n.y.a.	n.y.a.	6 025	763	44 687	5 906
July	36 685	4 859	1 744	207	n.y.a.	n.y.a.	5 669	714	44 099	5 780
August	37 062	5 007	1 837	222	n.y.a.	n.y.a.	6 019	767	44 918	5 996
September	37 407	5 038	1 863	223	n.y.a.	n.y.a.	6 342	814	45 612	6 075
October	42 279	5 992	1 918	225	n.y.a.	n.y.a.	6 361	807	50 558	7 024
November	41 129	5 758	1 959	220	n.y.a.	n.y.a.	7 405	933	50 494	6 912
December	39 474	5 534	1 725	196	n.y.a.	n.y.a.	6 777	890	47 976	6 620
TREND ESTIMATES										
1998										
October	31 551	3 907	1 513	179	n.y.a.	n.y.a.	5 029	585	38 094	4 670
November	31 881	4 023	1 524	184	n.y.a.	n.y.a.	5 074	591	38 478	4 798
December	32 475	4 163	1 556	189	n.y.a.	n.y.a.	5 191	609	39 222	4 960
1999										
January	33 281	4 317	1 595	193	n.y.a.	n.y.a.	5 351	633	40 227	5 143
February	34 175	4 469	1 618	194	n.y.a.	n.y.a.	5 505	659	41 298	5 322
March	35 085	4 612	1 625	192	n.y.a.	n.y.a.	5 626	681	42 336	5 485
April	35 828	4 722	1 632	192	n.y.a.	n.y.a.	5 711	699	43 170	5 612
May	36 383	4 807	1 646	194	n.y.a.	n.y.a.	5 760	714	43 790	5 714
June	36 872	4 895	1 684	199	n.y.a.	n.y.a.	5 823	729	44 380	5 823
July	37 382	5 005	1 739	207	n.y.a.	n.y.a.	5 943	750	45 065	5 962
August	38 012	5 146	1 798	214	n.y.a.	n.y.a.	6 119	776	45 928	6 136
September	38 802	5 315	1 845	218	n.y.a.	n.y.a.	6 336	807	46 983	6 340
October	39 614	5 487	1 874	219	n.y.a.	n.y.a.	6 569	840	48 057	6 546
November	40 296	5 634	1 886	218	n.y.a.	n.y.a.	6 786	871	48 968	6 723
December	40 852	5 752	1 880	215	n.y.a.	n.y.a.	6 970	896	49 702	6 863

(a) Excludes alterations and additions. Includes refinancing.

(b) Includes mortgage managers.

HOUSING FINANCE COMMITMENTS(a), Total Number of Dwellings—By State

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
no.	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL									
1998									
October	12 177	9 649	6 103	2 685	5 324	719	365	717	37 739
November	13 151	9 513	6 336	3 000	5 503	824	435	698	39 460
December	12 188	9 860	6 208	3 151	5 219	873	496	734	38 729
1999									
January	9 665	8 095	5 240	2 392	4 684	751	342	678	31 847
February	12 013	9 727	6 644	3 019	5 534	870	448	804	39 059
March	16 328	12 455	7 998	3 718	6 321	1 027	636	957	49 440
April	14 266	11 014	6 655	3 162	5 407	854	492	745	42 595
May	16 141	10 896	6 849	3 237	6 152	915	475	833	45 498
June	16 738	11 305	7 307	3 592	6 034	818	524	894	47 212
July	15 583	10 518	7 245	3 397	5 690	806	499	856	44 594
August	15 665	10 855	7 054	3 419	5 849	859	531	910	45 142
September	16 397	11 377	7 615	3 545	5 869	888	599	949	47 239
October	16 735	11 386	7 584	3 708	6 271	869	495	987	48 035
November	18 188	12 231	8 159	4 310	6 873	923	541	1 131	52 356
December	15 764	11 652	7 581	3 924	6 024	774	493	944	47 156
SEASONALLY ADJUSTED(b)									
1998									
October	12 548	9 487	6 213	2 814	5 350	732	383	737	37 878
November	13 017	9 838	6 330	2 885	5 581	832	416	725	39 201
December	13 081	9 810	6 358	3 083	5 357	878	448	737	39 637
1999									
January	13 178	10 269	6 418	2 964	5 412	914	447	812	40 051
February	12 497	10 023	6 542	3 045	5 515	889	420	788	39 938
March	14 003	11 394	6 787	3 134	5 538	895	525	816	43 188
April	14 369	10 942	6 998	3 138	5 516	848	489	781	43 381
May	15 323	10 752	6 966	3 226	5 925	857	511	861	44 749
June	15 499	10 420	7 110	3 335	5 844	816	542	858	44 687
July	15 100	10 355	7 275	3 502	5 748	828	521	853	44 099
August	15 495	10 668	7 178	3 561	5 933	848	572	908	44 918
September	15 277	11 069	6 983	3 573	5 927	857	558	891	45 612
October	18 128	11 740	7 932	4 106	6 398	929	553	1 046	50 558
November	17 737	12 127	8 064	4 038	6 915	930	508	1 125	50 494
December	16 763	11 617	7 885	3 786	6 105	772	434	937	47 976
TREND ESTIMATES(b)									
1998									
October	12 541	9 573	6 040	2 907	5 316	775	390	727	38 094
November	12 640	9 680	6 156	2 913	5 354	810	406	741	38 478
December	12 808	9 924	6 320	2 949	5 402	850	425	758	39 222
1999									
January	13 077	10 238	6 484	2 998	5 454	882	446	775	40 227
February	13 434	10 516	6 628	3 050	5 509	893	466	791	41 298
March	13 879	10 693	6 769	3 107	5 571	885	483	806	42 336
April	14 330	10 743	6 891	3 166	5 638	865	499	819	43 170
May	14 737	10 694	6 990	3 238	5 701	845	517	830	43 790
June	15 121	10 642	7 071	3 341	5 777	838	535	848	44 380
July	15 490	10 678	7 161	3 469	5 877	844	547	877	45 065
August	15 868	10 850	7 285	3 604	6 001	856	549	915	45 928
September	16 300	11 135	7 447	3 733	6 139	868	543	953	46 983
October	16 750	11 440	7 628	3 842	6 275	874	529	988	48 057
November	17 141	11 706	7 804	3 927	6 388	874	511	1 016	48 968
December	17 459	11 933	7 950	3 983	6 484	870	490	1 036	49 702

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 11 to 14.

HOUSING FINANCE COMMITMENTS(a), Total Value of Commitments—By State

Month	New South Wales \$m	Victoria \$m	Queensland \$m	South Australia \$m	Western Australia \$m	Tasmania \$m	Northern Territory \$m	Australian Capital Territory \$m	Australia \$m
ORIGINAL									
1998									
October	1 838	1 060	698	238	557	57	43	84	4 574
November	2 024	1 109	744	278	611	71	43	86	4 966
December	1 970	1 160	723	294	601	74	53	90	4 964
1999									
January	1 512	983	603	216	511	63	36	85	4 010
February	1 849	1 154	791	274	628	74	50	94	4 914
March	2 595	1 520	923	344	740	92	71	125	6 410
April	2 255	1 348	774	290	625	71	53	97	5 513
May	2 524	1 389	798	301	706	76	53	108	5 956
June	2 686	1 445	871	342	714	63	55	107	6 282
July	2 489	1 334	866	319	666	67	51	102	5 894
August	2 572	1 397	849	331	687	68	56	113	6 073
September	2 652	1 475	924	349	688	69	63	120	6 340
October	2 768	1 534	927	370	744	67	53	129	6 591
November	3 026	1 639	1 001	422	818	76	60	145	7 186
December	2 669	1 592	941	390	747	67	52	130	6 589
SEASONALLY ADJUSTED(b)									
1998									
October	1 899	1 061	692	251	565	58	42	88	4 636
November	1 987	1 118	720	265	620	70	44	84	4 873
December	2 069	1 163	737	279	607	75	49	87	5 062
1999									
January	2 087	1 236	752	268	597	77	47	100	5 149
February	1 969	1 220	784	277	624	75	47	97	5 121
March	2 214	1 362	811	289	636	77	60	107	5 582
April	2 271	1 374	836	288	654	75	54	103	5 655
May	2 387	1 344	829	301	684	72	58	111	5 825
June	2 476	1 346	847	321	689	66	56	108	5 906
July	2 410	1 323	854	332	675	69	53	102	5 780
August	2 525	1 370	833	349	694	66	56	113	5 996
September	2 524	1 408	846	354	695	64	57	112	6 075
October	2 993	1 600	974	407	776	70	57	137	7 024
November	2 889	1 628	954	393	810	74	58	137	6 912
December	2 789	1 568	966	363	742	67	49	123	6 620
TREND ESTIMATES(b)									
1998									
October	1 898	1 071	691	258	570	64	42	83	4 670
November	1 944	1 108	709	261	585	67	44	87	4 798
December	1 996	1 161	733	267	600	71	46	91	4 960
1999									
January	2 057	1 220	760	273	614	75	49	96	5 143
February	2 120	1 274	785	279	628	76	52	100	5 322
March	2 191	1 313	807	285	641	76	54	103	5 485
April	2 261	1 334	822	293	654	74	55	105	5 612
May	2 331	1 341	831	303	665	71	56	106	5 714
June	2 407	1 348	838	318	677	69	56	107	5 823
July	2 489	1 368	849	334	690	68	56	110	5 962
August	2 574	1 406	866	351	707	67	56	114	6 136
September	2 665	1 459	890	365	726	68	56	119	6 340
October	2 755	1 516	917	377	745	68	56	125	6 546
November	2 831	1 568	943	385	763	69	55	129	6 723
December	2 890	1 610	965	389	777	70	54	133	6 863

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of States and Territories may not equal Australian estimate, see Explanatory Notes 11 to 14.

HOUSING FINANCE COMMITMENTS, Original

Month	<i>Dwellings financed, excluding refinancing</i> \$m	<i>Refinancing</i> \$m	<i>Alterations and additions</i> \$m	<i>Total</i> \$m	<i>Commitments advanced during month</i> \$m	<i>Cancellation of commitments during month</i> \$m	<i>Commitments not advanced at end of month(a)</i> \$m
1998							
October	3 856	719	216	4 791	4 088	462	10 531
November	4 172	794	219	5 185	4 304	368	11 058
December	4 208	757	218	5 182	4 828	375	11 058
1999							
January	3 385	625	184	4 195	4 504	334	10 102
February	4 121	793	222	5 135	3 897	358	10 990
March	5 417	993	319	6 729	4 981	416	12 343
April	4 689	824	262	5 776	5 082	390	12 647
May	5 083	873	276	6 232	5 028	450	13 411
June	5 300	982	280	6 562	5 397	454	14 159
July	5 028	866	248	6 142	5 331	497	14 472
August	5 130	944	258	6 332	5 117	459	15 228
September	5 388	951	283	6 623	5 415	494	15 954
October	5 606	985	375	6 966	5 401	538	16 974
November	6 075	1 111	292	7 478	6 102	638	17 682
December	5 591	998	264	6 854	6 382	488	17 499

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

HOUSING FINANCE COMMITMENTS, Refinancing–Original

REFINANCING..... ALL HOUSING FINANCE(a).....

Month	All banks	Permanent building societies	Mortgage managers	Total other lenders(b)	Total	Total
NUMBER						
1998						
October	5 527	262	761	1 257	7 046	37 739
November	5 876	281	748	1 268	7 425	39 460
December	5 588	292	623	1 184	7 064	38 729
1999						
January	4 620	225	661	1 103	5 948	31 847
February	5 637	287	788	1 330	7 254	39 059
March	7 158	370	954	1 582	9 110	49 440
April	5 988	313	756	1 268	7 569	42 595
May	6 382	310	923	1 447	8 139	45 498
June	6 488	363	1 043	1 601	8 452	47 212
July	6 057	326	949	1 495	7 878	44 594
August	6 308	431	1 104	1 636	8 375	45 142
September	6 301	507	1 192	1 782	8 590	47 239
October	6 692	465	1 212	1 748	8 905	48 035
November	7 222	460	1 708	2 387	10 069	52 356
December	6 473	353	1 355	2 023	8 849	47 156

VALUE (\$ million)						
1998						
October	550	25	103	144	719	4 574
November	618	30	105	145	794	4 966
December	589	36	89	132	757	4 964
1999						
January	479	24	88	122	625	4 010
February	610	31	110	152	793	4 914
March	772	38	134	183	993	6 410
April	638	33	112	153	824	5 513
May	670	31	134	173	873	5 956
June	743	45	150	195	982	6 282
July	654	39	128	173	866	5 894
August	700	42	159	201	944	6 073
September	693	54	162	205	951	6 340
October	732	47	164	205	985	6 591
November	778	48	230	286	1 111	7 186
December	719	38	184	241	998	6 589

AVERAGE BORROWING SIZE (\$ '000)						
1998						
October	99.5	96.9	135.5	114.3	102.0	121.2
November	105.2	108.2	140.8	114.2	106.9	125.8
December	105.3	123.7	142.3	111.5	107.1	128.2
1999						
January	103.7	108.0	132.5	110.2	105.1	125.9
February	108.2	106.9	139.8	114.4	109.3	125.8
March	107.8	103.7	140.7	115.7	109.0	129.7
April	106.6	104.7	147.6	121.0	108.9	129.4
May	104.9	100.5	145.4	119.4	107.3	130.9
June	114.4	123.1	143.8	122.0	116.2	133.1
July	108.0	119.7	135.1	115.6	109.9	132.2
August	111.0	97.4	143.6	123.1	112.7	134.5
September	110.0	105.6	135.6	114.8	110.7	134.2
October	109.4	101.8	135.3	117.5	110.6	137.2
November	107.7	104.8	134.8	119.6	110.4	137.3
December	111.1	106.6	135.5	119.2	112.8	139.7

(a) Excludes alterations and additions.

(b) Includes mortgage managers.

HOUSING FINANCE COMMITMENTS(a), By Type of Borrower and Loan–Original

Month	FIRST HOME BUYERS.....			FIXED RATE (2 YEARS OR LONGER)....			ALL FINANCE....
	<i>Dwellings financed</i>	<i>% of total</i>	<i>Average borrowing size</i>	<i>Dwellings financed</i>	<i>% of total</i>	<i>Average borrowing size</i>	<i>Average borrowing size</i>
	no.	%	\$'000	no.	%	\$'000	\$'000
1998							
October	8 350	22.1	113.5	6 133	16.3	112.2	121.2
November	8 728	22.1	118.9	4 762	12.1	116.9	125.8
December	8 651	22.3	120.7	4 190	10.8	119.5	128.2
1999							
January	6 999	22.0	121.1	3 552	11.2	117.9	125.9
February	8 641	22.1	119.3	4 553	11.7	121.4	125.8
March	11 026	22.3	120.8	5 552	11.2	127.0	129.7
April	9 203	21.6	122.2	4 549	10.7	127.1	129.4
May	9 166	20.1	125.7	5 010	11.0	127.5	130.9
June	9 407	19.9	127.6	5 657	12.0	127.8	133.1
July	9 553	21.4	126.8	4 214	9.4	123.0	132.2
August	9 774	21.7	128.7	4 228	9.4	125.7	134.5
September	10 448	22.1	129.7	4 192	8.9	125.7	134.2
October	10 147	21.1	131.9	4 091	8.5	125.6	137.2
November	10 819	20.7	134.2	4 005	7.6	125.5	137.3
December	10 298	21.8	134.5	3 720	7.9	122.8	139.7

(a) Excludes alterations and additions. Includes refinancing.

HOUSING FINANCE COMMITMENTS, By Purpose and State–Original

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
Month	no.	no.	no.	no.	no.	no.	no.	no.	no.
CONSTRUCTION OF DWELLINGS									
1998									
October	1 500	1 698	1 099	398	977	75	48	40	5 835
November	1 548	1 680	1 089	382	879	62	26	57	5 723
December	1 512	1 692	1 005	406	897	77	31	54	5 674
1999									
January	1 146	1 348	775	292	796	52	31	41	4 481
February	1 618	1 791	1 071	436	899	83	47	60	6 005
March	2 171	2 331	1 392	488	1 137	95	64	96	7 774
April	1 627	2 170	1 116	427	1 014	99	49	56	6 558
May	1 782	1 957	1 081	404	1 157	84	45	77	6 587
June	1 845	2 037	1 252	485	1 176	81	36	81	6 993
July	1 740	2 008	1 193	448	1 082	76	42	85	6 674
August	1 742	2 104	1 332	508	1 077	72	64	78	6 977
September	1 907	2 121	1 312	476	1 077	79	72	95	7 139
October	1 738	2 172	1 331	492	1 164	85	55	86	7 123
November	1 961	2 334	1 182	564	1 286	120	56	118	7 621
December	1 606	2 073	1 215	505	1 068	68	44	83	6 662
PURCHASE OF NEWLY ERECTED DWELLINGS									
1998									
October	592	551	319	71	121	26	22	38	1 740
November	582	528	320	88	122	15	25	30	1 710
December	549	514	280	77	108	14	42	43	1 627
1999									
January	366	356	233	55	125	14	21	18	1 188
February	452	442	297	65	195	12	13	30	1 506
March	617	560	347	88	168	24	27	20	1 851
April	488	506	295	94	153	19	14	32	1 601
May	583	524	258	73	170	22	14	22	1 666
June	658	472	301	99	149	6	26	39	1 750
July	554	473	315	95	122	21	28	42	1 650
August	521	437	279	121	139	15	24	21	1 557
September	531	498	280	93	134	16	29	40	1 621
October	516	538	294	96	176	18	16	42	1 696
November	587	466	300	104	143	19	22	37	1 678
December	441	419	275	94	143	12	6	34	1 424
PURCHASE OF ESTABLISHED DWELLINGS(a)									
1998									
October	10 085	7 400	4 685	2 216	4 226	618	295	639	30 164
November	11 021	7 305	4 927	2 530	4 502	747	384	611	32 027
December	10 127	7 654	4 923	2 668	4 214	782	423	637	31 428
1999									
January	8 153	6 391	4 232	2 045	3 763	685	290	619	26 178
February	9 943	7 494	5 276	2 518	4 440	775	388	714	31 548
March	13 540	9 564	6 259	3 142	5 016	908	545	841	39 815
April	12 151	8 338	5 244	2 641	4 240	736	429	657	34 436
May	13 776	8 415	5 510	2 760	4 825	809	416	734	37 245
June	14 235	8 796	5 754	3 008	4 709	731	462	774	38 469
July	13 289	8 037	5 737	2 854	4 486	709	429	729	36 270
August	13 402	8 314	5 443	2 790	4 633	772	443	811	36 608
September	13 959	8 758	6 023	2 976	4 658	793	498	814	38 479
October	14 481	8 676	5 959	3 120	4 931	766	424	859	39 216
November	15 640	9 431	6 677	3 642	5 444	784	463	976	43 057
December	13 717	9 160	6 091	3 325	4 813	694	443	827	39 070

(a) Includes refinancing.

HOUSING FINANCE COMMITMENTS(a), By State–Original: December 1999

State	CONSTRUCTION OF DWELLINGS		PURCHASE OF NEWLY ERECTED DWELLINGS.....		PURCHASE OF ESTABLISHED DWELLINGS(b)...		TOTAL DWELLINGS, EXCLUDING REFINANCING.....		REFINANCING	TOTAL..
	Houses	Other	Houses	Other	Houses	Other	Houses	Other	All dwellings	All dwellings
NUMBER										
New South Wales	1 566	40	315	126	9 752	943	11 633	1 109	3 022	15 764
Victoria	2 005	68	299	120	6 634	508	8 938	696	2 018	11 652
Queensland	1 189	26	202	73	4 460	249	5 851	348	1 382	7 581
South Australia	485	20	81	13	2 461	109	3 027	142	755	3 924
Western Australia	942	126	116	27	3 125	458	4 183	611	1 230	6 024
Tasmania	n.p.	n.p.	n.p.	n.p.	497	12	577	12	185	774
Northern Territory	n.p.	n.p.	n.p.	n.p.	312	20	361	21	111	493
Australian Capital Territory	n.p.	n.p.	n.p.	n.p.	654	27	761	37	146	944
Australia	6 381	281	1 055	369	27 895	2 326	35 331	2 976	8 849	47 156
VALUE (\$ million)										
New South Wales	270	5	62	28	1 704	188	2 036	221	413	2 669
Victoria	271	9	45	17	954	71	1 270	98	224	1 592
Queensland	164	5	25	12	568	30	757	47	137	941
South Australia	57	2	8	1	251	10	316	13	61	390
Western Australia	127	15	15	4	410	52	553	70	124	747
Tasmania	n.p.	n.p.	n.p.	n.p.	44	2	53	2	13	67
Northern Territory	n.p.	n.p.	n.p.	n.p.	34	2	40	2	10	52
Australian Capital Territory	n.p.	n.p.	n.p.	n.p.	92	4	109	5	16	130
Australia	915	36	161	64	4 057	359	5 133	459	998	6 589
AVERAGE BORROWING SIZE (\$'000)										
New South Wales	172.2	122.1	197.4	220.1	174.7	199.4	175.0	198.9	136.6	169.3
Victoria	135.1	137.0	149.3	144.7	143.9	139.9	142.1	140.5	111.0	136.6
Queensland	137.6	184.5	124.8	167.1	127.4	122.3	129.4	136.4	98.8	124.1
South Australia	117.2	117.3	102.1	82.2	101.8	92.4	104.3	95.0	81.1	99.5
Western Australia	135.3	118.7	132.2	141.3	131.1	112.8	132.1	115.2	100.6	124.0
Tasmania	n.p.	n.p.	n.p.	n.p.	89.0	135.5	91.7	135.5	69.1	87.0
Northern Territory	n.p.	n.p.	n.p.	n.p.	107.8	106.3	109.4	113.0	93.3	106.0
Australian Capital Territory	n.p.	n.p.	n.p.	n.p.	140.3	132.7	143.1	136.3	110.5	137.8
Australia	143.4	129.5	152.3	172.9	145.4	154.2	145.3	154.2	112.8	139.7

(a) Excludes alterations and additions.

(b) Excludes refinancing.

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 rental or resale, are excluded and shown in *Lending Finance* (Cat. no. 5671.0).

SCOPE

2 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
- Organisations raising funds through the secondary mortgage market for approved home buyers under State government housing schemes
- Other financial corporations registered under the *Financial Corporations Act 1974*
- Other providers of consumer finance registered with State credit tribunals, including mortgage managers.

COVERAGE

3 The statistics cover significant lenders only. Significant lenders are the largest lenders to individuals for the construction and purchase of owner-occupied dwellings. They account in aggregate for at least 95% of the Australian total and at least 90% of each State total of finance commitments for owner-occupied housing.

4 An annual collection is conducted to maintain coverage of significant lenders. New lenders are included as their lending for owner-occupied housing becomes significant.

5 All banks and permanent building societies qualify as significant lenders and are therefore covered by these statistics. The category 'other lenders' includes a large number of small lenders that do not qualify as significant lenders and therefore are excluded from the survey. Although their omission does not have a serious impact on the overall coverage of lending activity, the statistics for 'other lenders' are affected to a greater extent by this coverage constraint.

6 Changes in the classification of lenders (for example, the conversion of a permanent building society to a bank) are reflected in the 'type of lender' statistics from the month of such changes. 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.

REVISIONS

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

REFINANCING

8 Data on refinancing has been collected separately since July 1991. The seasonally adjusted estimates should be considered preliminary until additional observations are available to produce more reliable seasonal estimates. Refinancing excludes an institution's refinancing of its own loans over the same dwelling (refer to glossary).

EXPLANATORY NOTES

MORTGAGE MANAGERS

9 Commitments for housing finance by mortgage managers are included in 'other lenders' and 'total lenders' when not separately identified. Data for mortgage managers are only available separately from July 1995. Prior to July 1995, the more significant mortgage managers were included with 'other lenders'. Seasonally adjusted data for mortgage managers will not be available until a sufficient number of observations are available to estimate seasonal patterns.

10 Care should be exercised in the interpretation of these statistics as:

- only those mortgage managers identified as significant lenders are included;
- only those commitments funded by securitisers are included. Commitments made by mortgage managers acting as agents or brokers for other financial institutions are reported by those lending institutions providing the finance, and are included in the lender type category relating to those institutions;
- commitments by mortgage managers for investment housing are excluded.

The value of those commitments is included in Commercial Finance estimates.

SEASONAL ADJUSTMENT

11 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.

12 Over the period from early 1990 to April 1995, each of the four 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 takes account of this change in pattern.

13 Two other developments in recent years may induce some change in the trading day and seasonal patterns of housing finance data. These comprise the changes in the classification of some major financial institutions (in particular, the conversion of building societies into banks) and the recent expansion of activity by mortgage managers. Estimation of seasonal adjustment and trading day factors that reflect the full effect of all these changes will not be possible until a sufficient number of years of data have been collected. Accordingly, the trend estimate data provide the most reliable indicator of underlying movement in housing finance commitments.

14 State component series have been seasonally adjusted independently of the Australian series. The sum of the States components is therefore unlikely to equal the corresponding Australian total series. The State component series are also affected by the changes mentioned in paragraphs 12 and 13.

TREND ESTIMATES

15 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 02 6252 6345.

EXPLANATORY NOTES

TREND ESTIMATES *continued*

16 While the smoothing technique described in paragraph 15 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.

17 Volatility in the refinancing series means that the most recent trend estimates may be subjected to greater revision than usual. Users are advised to exercise care when interpreting movements affected by this volatility.

RELATED RELEASES

18 Estimates for months prior to those shown in this publication are available. Users may wish to refer to more detailed commitment series for Personal, Commercial and Lease Finance that are available by purpose, type of facility and industry. There may be a charge for this information, depending on the volume of data requested.

19 Users may also wish to refer to the following releases:

- *Lending Finance, Australia* (Cat. no. 5671.0)
Provides monthly data on the value of finance commitments for individuals for housing and other personal finance commitments, commercial finance commitments to businesses under fixed and revolving credit facilities and value of goods under lease finance commitments.
- *Assets and Liabilities of Australian Securitisors* (Cat. no. 5232.0.40.001)
Provides quarterly information on the assets and liabilities of securitisors. These financial institutions issue short and/or long term securities (known as asset-backed securities) against specifically matched assets (e.g. mortgages, credit cards receivables).
- *Annual Statistics for Financial Institutions* (Cat. no. 5661.0.40.001)
The statistics cover type and amount of assets and liabilities, source of income, type of expenditure and appropriation of profits for each institution type registered under the *Financial Corporations Act 1974*.
- *Reserve Bank of Australia Bulletin* (Reserve Bank of Australia)
Contains feature articles on current issues in the financial markets and monthly financial information for banks and other financial institutions registered under the *Financial Corporations Act 1974*. Statistics on the financial markets (e.g. interest rates and share prices indices) and relevant aggregates of the Commonwealth Government, National Accounts and Balance of Payments are also published.
- *Buildings Approvals, Australia* (Cat. no. 8731.0)
Provides monthly data on the number dwelling units and value of residential buildings approved for private and public sector, value of alterations and additions and value of non-residential buildings by class of building.
- *Building Activity Australia, Dwelling Unit Commencements* (Cat. no. 8750.0)
Contains preliminary quarterly estimates of the number of dwelling units commenced for private and public sector.

SYMBOLS AND OTHER USAGES

- n.p. not available for publication
n.y.a not yet available
m millions

GLOSSARY

Alterations and additions	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.
Average borrowing	Average borrowing is calculated as follows: $\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$ Average borrowing does not necessarily represent the average loan size per dwelling. For instance, average borrowing separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.
Commitment	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.
Commitments not advanced	Commitments not advanced at the end of the period are calculated as follows: $\begin{array}{r} \text{Balance of unadvanced commitments at the end of the previous period} \\ + \text{ Total new housing commitments (including refinancing)} \\ + \text{ Alterations and additions} \\ \hline = \text{ Total commitments} \\ - \text{ Cancellations of commitments} \\ - \text{ Commitments advanced during the period} \\ \hline = \text{ Commitments not advanced at the end of the period} \end{array}$
Commitment value	The commitment value for a contract of sale is the dwelling's sale value less any deposit.
Construction of dwellings	Construction of dwellings represents commitments made to individuals to finance, by way of progress payments, the construction of owner-occupied dwellings.
Dwelling	A dwelling is either a house or other dwelling. A house is a single self-contained place of residence detached from other buildings. An other dwelling is a single self-contained place of residence other than a house. Examples of other dwellings are individual flats, home units, town houses, terrace house, etc.
Dwelling units	Dwelling units refer to the number of houses and other dwellings for which commitments have been made, either on the security of first mortgage or on contract of sale.
Established dwelling	An established dwelling is one which has been completed for more than twelve months prior to the lodgement of a loan application, or which has been previously occupied.
First home buyers	First home buyers are persons entering the home ownership market for the first time.

GLOSSARY

Fixed rate loan	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.
Mortgage Managers	Mortgage Managers obtain funds from financial institutions and through securitisation to lend for housing finance. In general, they manage the loans that they originate on behalf of the wholesale lenders. To avoid double counting, only those mortgage manager commitments funded by securitisers are included in the housing finance statistics. Those commitments made by mortgage managers acting as agents/brokers for other financial institutions are reported by those institutions.
Newly erected dwelling	A new dwelling that has been completed within twelve months of the lodgement of a loan application, and the borrower will be the first occupant.
Refinancing	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.
Secured housing finance	This is all secured commitments to individuals for the construction or purchase of houses and other 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.
Self-contained	The dwelling includes bathing and cooking facilities.
Significant lenders	Significant lenders include, but are not restricted to, those lenders who committed funds of more than \$103 million Australia-wide during the calendar year 1998.

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