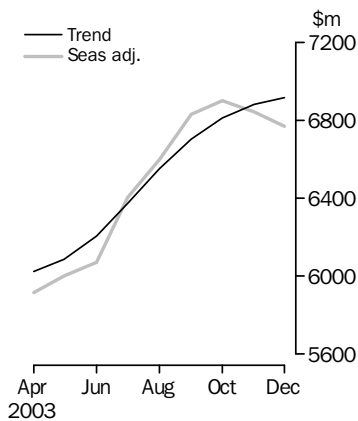


LENDING FINANCE

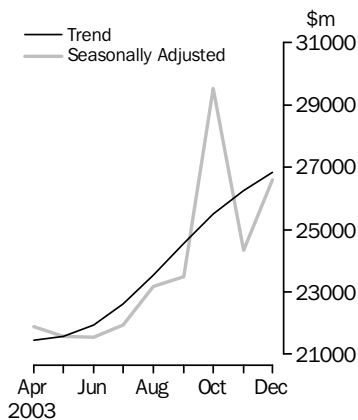
AUSTRALIA

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Personal finance



Commercial finance



KEY FIGURES

	Nov 2003	Dec 2003	Nov 2003 to Dec 2003
	\$m	\$m	% change
TREND ESTIMATES			
Housing finance for owner occupation	11 228	11 146	-0.7
Personal finance	6 882	6 920	0.5
Commercial finance	26 263	26 830	2.2
Lease finance	593	600	1.1
SEASONALLY ADJUSTED ESTIMATES			
Housing finance for owner occupation	10 981	10 710	-2.5
Personal finance	6 846	6 769	-1.1
Commercial finance	24 327	26 592	9.3
Lease finance	626	541	-13.5

KEY POINTS

HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner-occupied housing commitments decreased by 2.5% (seasonally adjusted) in December 2003. The trend series decreased by 0.7%.

PERSONAL FINANCE

- The seasonally adjusted series for total personal finance commitments fell by 1.1% in December 2003, due to a fall in revolving credit commitments (down 2.1%).
- The total personal finance trend series continued to rise, increasing by 0.5% in December, although its growth rate is slowing. The fixed lending and revolving credit series increased by 0.5% and 0.6% respectively.

COMMERCIAL FINANCE

- The total commercial finance series (seasonally adjusted) rose 9.3% in December 2003, after a large fall in the revolving credit component of 38.2% in November which returned this series to its historical levels. Fixed lending increased by 11.3%.
- The purchase of dwellings by individuals for rent and resale (seasonally adjusted) decreased by 3.8% in December 2003, the second monthly decrease following rises in the previous six months.
- The trend series for total commercial finance increased by 2.2% in December 2003. Increases were recorded in fixed lending (up 2.8%) and revolving credit (up 1.0%).

LEASE FINANCE

- Lease finance (seasonally adjusted) decreased by 13.5% in December 2003, following rises in the previous two months.
- The lease finance trend rose by 1.1% in December 2003.

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>
January 2004	16 March 2004
February 2004	15 April 2004
March 2004	17 May 2004
April 2004	11 June 2004
May 2004	13 July 2004
June 2004	11 August 2004

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CHANGES IN THIS ISSUE

There are no changes in this issue.

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ABBREVIATIONS

ABS Australian Bureau of Statistics
APRA Australian Prudential Regulation Authority
b billion (one thousand million)
n.e.c. not elsewhere classified

R.W. Edwards
Acting Australian Statistician

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ADDITIONAL TABLES ON AUSSTATS

TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <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
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 - OL1c. Operating lease finance commitments by lender
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 - 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 December 2004

LENDING FINANCE SUMMARY OF FINDINGS

HOUSING FINANCE FOR OWNER OCCUPATION

The total value of commitments excluding alterations and additions (seasonally adjusted) decreased by 2.5% in December 2003, after a decrease of 3.4% in November. The trend series decreased by 0.7% in December.

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

PERSONAL FINANCE

The seasonally adjusted series for total personal finance fell by 1.1% to \$6 769 million in December 2003, a second monthly fall after increases in the previous six months. Fixed lending increased slightly by 0.1%. Personal revolving credit commitments decreased by 2.1% in December.

The total personal finance commitments trend series increased by 0.5% in December 2003. The trend for revolving credit commitments increased by 0.6%, while the fixed lending trend grew by 0.5%.

In original terms, fixed lending commitments increased by 4.4% to \$2 908 million in December 2003, largely driven by the increase in motor vehicles financing (up \$65.7 million).

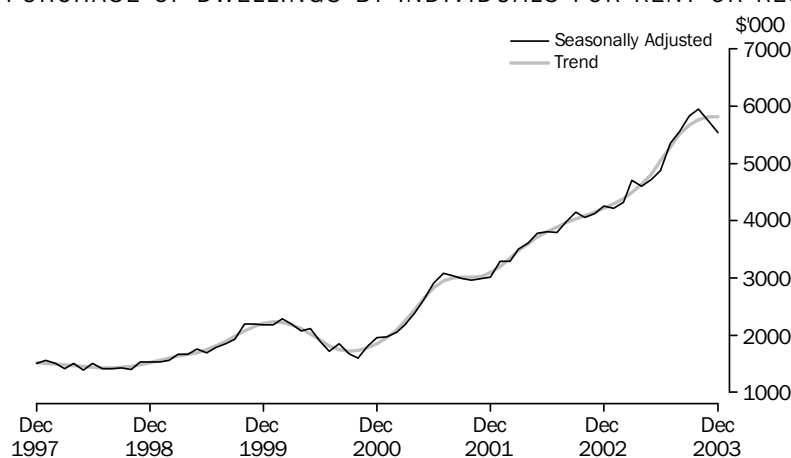
COMMERCIAL FINANCE

The seasonally adjusted total commercial finance series increased by 9.3% in December 2003, after a large fall in the revolving credit component of 38.2% in November which returned this series to its historical levels. Fixed lending increased by 11.3%.

The growth in the total commercial finance trend estimate eased to an increase of 2.2% in December 2003. The fixed lending trend rose by 2.8% and the revolving credit commitments trend rose by 1.0%.

The seasonally adjusted purchase of dwellings for rent or resale by individuals (investment housing) series decreased for a second month to \$5 534 million (down 3.8%) in December 2003, following six months of strong growth. The growth in the investment housing trend series eased to a rise of 0.1% in December.

PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



LEASE FINANCE

In seasonally adjusted terms, the lease finance series decreased by 13.5% to \$541 million in December 2003, after increases in the previous two months. The lease finance trend series grew by 1.1% in December 2003.

FINANCE COMMITMENTS, Summary: (\$m)

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									
2002									
December	8 486	448	2 459	3 245	5 704	15 205	8 846	24 051	553
2003									
January	7 585	411	2 423	2 736	5 159	10 758	5 347	16 105	424
February	8 281	444	2 628	2 924	5 552	11 700	6 049	17 749	444
March	9 459	451	2 709	3 369	6 077	14 461	6 759	21 221	530
April	9 296	427	2 519	3 093	5 612	12 102	8 690	20 792	470
May	10 592	485	2 821	3 537	6 358	15 130	6 916	22 045	623
June	10 229	495	2 874	3 656	6 529	17 817	8 817	26 635	645
July	11 408	523	3 004	4 027	7 031	16 914	8 057	24 971	643
August	10 972	581	2 763	3 803	6 565	15 433	8 051	23 484	543
September	11 517	569	2 885	3 875	6 760	15 861	6 851	22 713	535
October	11 912	620	3 062	3 981	7 043	16 798	12 229	29 028	627
November	10 892	545	2 785	4 045	6 830	15 269	8 290	23 560	567
December	10 892	503	2 908	3 891	6 798	20 362	10 085	30 447	569
SEASONALLY ADJUSTED									
2002									
December	8 662	481	2 600	3 258	5 858	14 339	8 176	22 515	534
2003									
January	8 695	467	2 542	3 362	5 904	13 629	6 919	20 549	515
February	8 931	444	2 648	3 439	6 088	13 886	7 133	21 019	535
March	9 155	427	2 637	3 451	6 089	15 066	7 102	22 168	560
April	9 456	444	2 647	3 271	5 918	13 536	8 342	21 878	543
May	9 809	453	2 665	3 337	6 002	14 048	7 523	21 571	584
June	10 197	484	2 732	3 338	6 071	13 921	7 629	21 549	460
July	10 676	520	2 841	3 562	6 404	14 679	7 256	21 935	554
August	11 085	619	2 873	3 725	6 599	15 843	7 320	23 163	582
September	11 757	575	2 938	3 895	6 833	16 013	7 485	23 498	554
October	11 370	567	3 002	3 901	6 903	16 900	12 627	29 527	622
November	10 981	555	2 959	3 886	6 846	16 524	7 803	24 327	626
December	10 710	509	2 962	3 806	6 769	18 400	8 192	26 592	541
TREND									
2002									
December	8 599	453	2 556	3 229	5 785	14 046	7 421	21 467	522
2003									
January	8 737	455	2 583	3 304	5 888	13 998	7 333	21 331	529
February	8 926	449	2 607	3 350	5 957	13 991	7 368	21 359	536
March	9 167	444	2 631	3 364	5 995	13 997	7 459	21 456	541
April	9 477	449	2 660	3 366	6 025	14 015	7 441	21 456	541
May	9 866	468	2 700	3 387	6 087	14 135	7 425	21 561	539
June	10 312	499	2 754	3 454	6 207	14 390	7 535	21 925	540
July	10 723	532	2 815	3 562	6 376	14 824	7 794	22 619	549
August	11 023	556	2 873	3 682	6 555	15 400	8 138	23 538	562
September	11 192	566	2 921	3 785	6 706	16 048	8 519	24 567	576
October	11 249	567	2 956	3 856	6 812	16 658	8 845	25 503	587
November	11 228	561	2 981	3 901	6 882	17 202	9 060	26 263	593
December	11 146	550	2 995	3 925	6 920	17 683	9 147	26 830	600

(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 (\$m)**

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
2002										
December	6 653	266	1 140	427	8 486	4 338	276	809	281	5 704
2003										
January	5 964	242	1 013	365	7 585	3 926	276	691	266	5 159
February	6 392	304	1 205	380	8 281	4 233	290	763	267	5 552
March	7 300	321	1 430	408	9 459	4 669	333	815	259	6 077
April	7 181	342	1 342	431	9 296	4 306	273	822	211	5 612
May	8 182	370	1 528	512	10 592	4 904	288	951	215	6 358
June	7 894	351	1 507	478	10 229	5 096	303	916	215	6 529
July	8 723	406	1 758	520	11 408	5 512	308	992	220	7 031
August	8 466	354	1 686	466	10 972	5 146	250	953	216	6 565
September	8 827	396	1 801	493	11 517	5 443	252	876	190	6 760
October	9 126	383	1 866	537	11 912	5 593	278	957	214	7 043
November	8 371	351	1 656	514	10 892	5 300	264	1 028	237	6 830
December	8 345	327	1 659	561	10 892	5 399	300	920	180	6 798

(a) Secured finance for owner occupation. Excludes alterations and additions.

(b) Unsecured housing finance for owner occupation.

COMMERCIAL AND LEASE FINANCE COMMITMENTS, By Lender: **Original (\$m)**

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
2002										
December	21 160	378	547	1 965	24 051	176	140	114	123	553
2003										
January	14 346	np	340	np	16 105	126	117	84	97	424
February	15 572	161	391	1 625	17 749	133	110	96	105	444
March	18 316	97	610	2 198	21 221	182	134	99	116	530
April	18 526	np	581	np	20 792	138	116	101	114	470
May	18 679	np	712	np	22 045	245	139	115	124	623
June	22 907	np	757	np	26 635	226	134	143	142	645
July	19 964	np	601	np	24 971	172	236	116	119	643
August	18 730	np	480	np	23 484	160	170	95	118	543
September	19 687	342	513	2 170	22 713	139	167	102	127	535
October	26 322	np	542	np	29 028	190	202	123	112	627
November	19 979	np	510	np	23 560	144	218	103	102	567
December	26 231	1 427	533	2 257	30 447	159	187	114	109	569

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

PERSONAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): **Original (\$m)**

<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
2002									
December	356	441	884	223	48	213	412	679	2 459
2003									
January	333	477	883	252	42	229	389	627	2 423
February	338	459	888	292	42	242	448	716	2 628
March	345	459	886	334	45	238	470	735	2 709
April	337	403	810	320	45	193	468	682	2 519
May	407	436	927	349	53	207	523	761	2 821
June	423	417	932	347	54	205	541	795	2 874
July	436	443	960	422	54	210	577	781	3 004
August	393	409	885	376	46	189	535	731	2 763
September	411	429	928	387	47	197	562	763	2 885
October	424	439	953	412	49	223	593	831	3 062
November	371	383	835	358	48	202	602	740	2 785
December	425	403	901	370	52	204	603	778	2 908

(a) Includes motor cycles 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 (\$m)**

Month	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total	Total	Total limits	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
2002						
December	1 751	1 493	3 245	969	140 717	67 208
2003						
January	1 561	1 175	2 736	1 012	142 490	67 935
February	1 611	1 314	2 924	897	144 401	69 202
March	1 941	1 428	3 369	1 126	146 357	69 984
April	1 826	1 268	3 093	886	151 898	72 197
May	2 042	1 496	3 537	1 073	154 111	73 002
June	2 210	1 446	3 656	1 282	156 397	75 029
July	2 194	1 833	4 027	1 303	158 334	75 817
August	2 021	1 781	3 803	1 221	160 188	76 892
September	2 126	1 750	3 875	1 270	162 914	77 550
October	2 329	1 652	3 981	1 199	165 713	78 957
November	2 003	2 042	4 045	1 344	168 526	80 189
December	2 133	1 758	3 891	1 399	173 821	81 607

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COMMERCIAL FINANCE COMMITMENTS, By Purpose (Fixed Loans): Original (\$m)

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
2002								
December	2 155	5 794	np	1 049	1 082	np	15 205	20 553
2003								
January	1 635	4 527	np	950	616	np	10 758	21 507
February	1 329	5 540	483	938	795	2 614	11 700	22 210
March	1 692	5 874	np	1 075	875	np	14 461	23 176
April	967	5 918	627	923	610	3 058	12 102	22 474
May	1 522	6 626	np	1 036	960	np	15 130	25 023
June	1 890	8 034	np	1 184	1 532	np	17 817	27 874
July	1 499	7 458	495	1 179	1 590	4 693	16 914	28 066
August	1 475	7 324	481	1 064	1 038	4 051	15 433	26 994
September	1 045	7 735	546	1 046	1 180	4 309	15 861	25 956
October	1 397	8 223	np	1 103	949	np	16 798	26 458
November	766	7 052	670	1 014	1 392	4 376	15 269	21 059
December	1 720	7 296	539	1 074	1 721	8 012	20 362	23 392

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LEASE AND COMMERCIAL FINANCE COMMITMENTS, Stocks and Flows: Original (\$m)

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
2002						
December	553	326	8 846	7 312	216 661	110 566
2003						
January	424	324	5 347	7 915	214 111	110 768
February	444	340	6 049	6 346	214 457	110 886
March	530	324	6 759	5 875	216 529	112 977
April	470	336	8 690	7 649	217 484	112 677
May	623	340	6 916	7 557	217 397	109 486
June	645	357	8 817	7 719	221 071	113 956
July	643	454	8 057	6 731	220 479	112 078
August	543	381	8 051	8 248	222 438	114 443
September	535	399	6 851	9 058	222 212	111 455
October	627	441	12 229	11 109	223 331	111 385
November	567	413	8 290	8 523	222 940	112 325
December	569	372	10 085	9 197	223 771	112 073

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

Month	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE			ALL HOUSING FINANCE
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings	Alterations and additions	Total (a) (b)	Construction of dwellings for rent or resale	Purchase of dwellings by individuals for rent or resale	Purchase of dwellings by others for rent or resale	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002									
December	809	270	7 408	448	48	979	4 009	578	14 550
2003									
January	710	255	6 620	411	42	363	3 502	340	12 243
February	822	267	7 192	444	42	613	3 988	348	13 716
March	913	308	8 238	451	45	666	4 672	381	15 675
April	921	297	8 078	427	45	583	4 510	565	15 425
May	1 068	363	9 161	485	53	554	5 256	537	17 477
June	1 030	337	8 862	495	54	679	5 439	828	17 724
July	1 213	392	9 803	523	54	584	5 729	590	18 887
August	1 037	345	9 590	581	46	673	5 663	575	18 510
September	1 085	369	10 064	569	47	439	5 885	542	18 998
October	1 117	371	10 425	620	49	547	6 015	741	19 884
November	999	365	9 528	545	48	430	5 351	610	17 875
December	1 032	374	9 486	503	52	554	5 351	561	17 913
SEASONALLY ADJUSTED (c)									
2002									
December	809	276	7 577	481	46	954	4 251	488	14 784
2003									
January	866	288	7 541	467	45	403	4 212	411	14 350
February	918	292	7 721	444	42	777	4 324	415	14 845
March	925	308	7 922	427	43	659	4 704	431	15 437
April	980	314	8 161	444	46	586	4 592	584	15 718
May	996	336	8 477	453	49	530	4 723	490	16 071
June	1 025	336	8 836	484	52	598	4 883	612	16 947
July	1 031	360	9 285	520	54	562	5 349	581	17 791
August	1 026	345	9 714	619	52	712	5 546	630	18 630
September	1 068	361	10 329	575	50	437	5 828	559	18 931
October	1 057	364	9 949	567	48	464	5 953	809	19 240
November	1 023	366	9 592	555	47	478	5 750	594	18 470
December	983	362	9 366	509	48	528	5 534	489	17 743
TREND (c)									
2002									
December	847	277	7 475	453	45	726	4 215	426	14 447
2003									
January	866	286	7 585	455	44	694	4 292	433	14 647
February	898	296	7 731	449	44	657	4 382	448	14 909
March	934	307	7 926	444	45	625	4 494	474	15 268
April	968	319	8 190	449	47	606	4 635	504	15 749
May	996	330	8 540	468	49	597	4 817	536	16 367
June	1 019	340	8 952	499	51	587	5 048	573	17 094
July	1 034	348	9 340	532	52	573	5 291	606	17 778
August	1 041	354	9 628	556	51	553	5 506	625	18 293
September	1 042	358	9 792	566	50	533	5 669	632	18 603
October	1 037	362	9 850	567	49	511	5 768	630	18 725
November	1 029	364	9 834	561	48	493	5 815	620	18 716
December	1 019	366	9 761	550	47	478	5 818	598	18 588

(a) Includes refinancing.

(b) Includes alterations and additions.

(c) Sum of housing component series may not equal total housing finance (see paragraph 14 in Explanatory Notes)

FINANCE COMMITMENTS, For Motor Vehicles: **Original (\$m)**

Month	PERSONAL FINANCE(a)					COMMERCIAL FINANCE(a)	LEASE FINANCE	ALL VEHICLE FINANCE
	New motor cars and station wagons	Used motor cars and station wagons	Motor cycles	Other motor vehicles	Total	Total	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2002								
December	356	441	18	69	884	620	244	1 748
2003								
January	333	477	17	56	883	572	181	1 637
February	338	459	17	75	888	629	207	1 725
March	345	459	19	63	886	725	232	1 844
April	337	403	19	51	810	644	228	1 682
May	407	436	26	58	927	720	285	1 932
June	423	417	16	76	932	814	293	2 039
July	436	443	17	65	960	767	283	2 011
August	393	409	15	68	885	711	243	1 840
September	411	429	17	71	928	684	256	1 868
October	424	439	17	72	953	686	278	1 917
November	371	383	16	65	835	636	236	1 707
December	425	403	16	58	901	705	271	1 877

(a) Excludes revolving credit.

LEASE FINANCE COMMITMENTS, For Motor Vehicles: **Original (\$m)**

<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
2002								
December	150	41	20	3	15	4	11	244
2003								
January	110	34	15	4	9	4	5	181
February	126	34	15	4	15	7	5	207
March	143	35	19	3	19	6	6	232
April	149	36	16	3	13	6	5	228
May	175	37	21	4	27	4	18	285
June	176	41	24	4	25	7	16	293
July	177	44	25	4	22	5	7	283
August	150	32	24	2	17	9	8	243
September	162	34	19	3	20	10	9	256
October	177	33	22	3	27	10	7	278
November	149	31	17	3	25	4	8	236
December	186	34	21	2	18	2	7	271

FINANCE COMMITMENTS, For Plant and Equipment: **Original (\$m)**

Month	COMMERCIAL FINANCE(a)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	<i>Transport equipment(b)</i>	<i>Other plant and equipment</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m
2002					
December	66	363	429	309	737
2003					
January	146	231	377	243	620
February	37	272	309	236	545
March	53	297	350	298	648
April	46	233	279	242	521
May	64	252	316	338	654
June	58	312	370	352	722
July	62	350	412	360	772
August	79	274	352	300	652
September	58	304	362	279	641
October	81	336	417	349	766
November	70	308	378	331	709
December	62	306	369	298	667

(a) Excludes revolving credit.

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

LEASE FINANCE COMMITMENTS, For Plant and Equipment: **Original (\$m)**

<i>Month</i>	<i>Transport equipment(a)</i>	<i>Construction and earthmoving equipment</i>	<i>Agricultural machinery and equipment</i>	<i>Manufacturing equipment</i>	<i>Electronic data processing equipment</i>	<i>Office machines</i>	<i>Shop and office furniture, fittings and equipment</i>	<i>Other goods</i>	Total
<i>Month</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2002									
December	10	26	14	18	111	54	28	47	309
2003									
January	6	14	12	22	119	28	10	33	243
February	11	15	14	15	91	40	9	41	236
March	5	28	14	26	112	48	14	50	298
April	3	11	15	15	91	56	10	41	242
May	6	71	16	23	96	56	11	58	338
June	7	27	31	43	101	63	23	57	352
July	5	20	15	24	176	58	20	41	360
August	6	26	11	18	133	61	15	30	300
September	9	26	11	14	110	66	14	29	279
October	6	36	13	38	109	73	23	50	349
November	4	42	12	25	108	77	17	46	331
December	7	17	13	26	107	63	19	47	298

(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/co-operative credit societies
 - Life or general insurance companies
 - General government enterprises
 - Superannuation funds
 - Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
 - Other Registered Financial Corporations.

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

EXPLANATORY NOTES *continued*

REVISIONS

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

12 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

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

14 Housing component series have been seasonally adjusted independently of the total housing series. Therefore the sum of the housing components is unlikely to equal the housing total.

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. 1348.0) 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 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 for Owner Occupation, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.0.40.001)
- *Building Approvals, Australia* (cat. no. 8731.0)

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS *continued*

- *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, 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, Australia* (cat. no. 1101.0). The *Catalogue* and information on forthcoming releases (Release Advices) are available from any ABS office or from the ABS web site <<http://www.abs.gov.au>>.

GLOSSARY

Agricultural machinery and equipment	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
Alterations and additions	Comprises all structural and non-structural changes which are integral to the functional and structural design of a dwelling. Examples are garages, carports, pergolas, reroofing, recladding, etc. Alterations and additions do not include swimming pools, ongoing repairs, or maintenance and home improvements which do not involve building work.
Commitment	Is a firm offer of finance. It either has been, or is normally expected to be, accepted. Commitments accepted and cancelled in the same month are included. Commitments to non-residents are excluded.
Construction and earth moving equipment	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
Construction of dwellings	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
Debt consolidation	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
Dwelling	Is a single self-contained place of residence such as a detached or semi-detached house, a terrace house, a flat, home unit, town house, etc. which includes bathing and cooking facilities.
Electronic data processing equipment	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
Established dwelling	Is a dwelling that has been completed for 12 months or more prior to the lodgement of a loan application, or has been previously occupied.
Finance lease	Refers to the leasing or hiring of tangible assets under an agreement, other than a hire purchase agreement, which substantially transfers from the lessor to the lessee all the risks and benefits incident to ownership of the asset without transferring the legal ownership.
Fixed loans	Generally involve: <ul style="list-style-type: none">■ a commitment for a fixed amount for a fixed period for a specific purpose;■ a schedule of repayments over a fixed period; 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).
Motor cycles	Includes two and three wheeled motor cycles and mopeds, scooters and motor cycles with side cars.
New dwelling	Is a dwelling that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
Office machines	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.

GLOSSARY *continued*

Purpose	Of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category. Otherwise the whole loan is classified to the major purpose.
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	Generally has the following characteristics: <ul style="list-style-type: none">■ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed;■ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit; 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	Comprises all secured commitments to individuals for the construction or purchase of dwellings for owner occupation, regardless of type of security. Commitments for housing that will be occupied by persons other than the owner(s) are excluded.
Total credit limits at end of month	Comprises total approved credit limits available at the end of the reference month. In principle, this can be derived by adding new and increased lending commitments during the month less cancellations and reductions of credit limits during the month to the balance of credit limits at the end of the previous month. In practice, however, revisions and other adjustments (such as the transfer of an existing fixed credit facility) will mean that such a derivation is inexact.
Wholesale finance	Comprises finance for the purchase of goods by retailers and wholesalers.

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- 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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