

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION)(a), By State and Territory (Number)

<i>Month</i>	<i>New South Wales</i>	<i>Victoria</i>	<i>Queensland</i>	<i>South Australia</i>	<i>Western Australia</i>	<i>Tasmania</i>	<i>Northern Territory</i>	<i>Australian Capital Territory</i>	<i>Australia</i>
no.	no.	no.	no.	no.	no.	no.	no.	no.	no.

ORIGINAL

2009									
January	13 837	11 459	10 261	4 488	5 934	1 098	381	773	48 231
February	17 240	12 411	12 095	5 149	6 503	1 329	468	1 046	56 241
March	20 980	14 948	14 783	5 783	7 536	1 494	577	1 243	67 344
April	19 937	14 206	13 046	5 225	6 929	1 228	522	1 122	62 215
May	21 209	15 497	13 695	5 652	7 750	1 233	518	1 186	66 740
June	20 915	15 803	14 212	5 670	8 178	1 354	516	1 245	67 893
July	21 058	15 786	13 904	5 642	7 910	1 210	516	1 039	67 065
August	17 985	14 360	12 544	5 145	6 914	1 056	422	1 079	59 505
September	19 615	15 357	13 542	5 401	7 822	1 184	491	1 175	64 587
October	18 152	15 588	13 210	4 991	7 815	1 261	528	1 124	62 669
November	17 709	14 499	12 015	4 904	7 536	1 066	442	1 124	59 295
December	16 524	14 888	11 313	4 784	7 306	1 074	439	1 118	57 446

2010									
January	11 180	10 642	8 195	3 388	5 339	789	340	769	40 642

SEASONALLY ADJUSTED (b)

2009									
January	17 839	13 429	12 124	5 400	6 875	1 280	475	995	58 007
February	18 718	13 711	12 305	5 266	7 039	1 335	484	1 125	60 017
March	19 186	14 430	13 340	5 276	7 182	1 335	516	1 170	62 713
April	19 821	14 515	13 326	5 362	7 462	1 234	529	1 144	63 365
May	20 015	14 887	13 830	5 486	7 529	1 155	495	1 149	64 486
June	19 832	15 070	13 843	5 461	7 640	1 381	510	1 194	64 776
July	19 534	14 942	13 445	5 448	7 445	1 202	514	974	63 205
August	18 628	14 890	13 218	5 421	6 846	1 143	474	1 130	62 004
September	19 668	15 303	13 197	5 456	7 815	1 186	474	1 112	64 246
October	18 304	14 991	12 983	5 129	7 779	1 288	517	1 081	62 267
November	17 216	14 473	11 818	4 770	7 378	1 070	431	1 095	58 409
December	16 256	13 765	11 178	4 495	7 111	1 020	414	1 085	55 443

2010									
January	15 067	13 259	10 109	4 246	6 321	938	429	1 038	51 056

TREND (b)

2009									
January	17 727	13 286	11 994	5 097	6 756	1 256	477	1 028	57 537
February	18 630	13 800	12 575	5 273	7 021	1 288	493	1 091	60 104
March	19 294	14 242	13 068	5 375	7 244	1 296	505	1 135	62 113
April	19 675	14 580	13 429	5 426	7 385	1 283	511	1 152	63 404
May	19 828	14 826	13 644	5 457	7 451	1 262	513	1 146	64 088
June	19 823	14 999	13 714	5 481	7 473	1 244	510	1 127	64 320
July	19 666	15 107	13 649	5 481	7 502	1 231	503	1 110	64 216
August	19 296	15 096	13 404	5 414	7 512	1 217	494	1 097	63 547
September	18 736	14 953	12 997	5 263	7 483	1 191	482	1 091	62 273
October	18 045	14 703	12 478	5 058	7 404	1 150	468	1 087	60 493
November	17 285	14 385	11 902	4 830	7 271	1 100	453	1 082	58 387
December	16 523	14 041	11 321	4 606	7 095	1 048	438	1 075	56 178

2010									
January	15 837	13 716	10 798	4 403	6 917	1 008	425	1 075	54 148

(a) Excludes alterations and additions. Includes refinancing across lending institutions (see Glossary).

(b) Sum of states and territories may not equal Australian total (see paragraph 26 in Explanatory Notes).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), By State and Territory (Percentage change)

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 (% change from previous month)

2009									
January	-20.9	-15.8	-10.4	-13.6	-12.6	-11.9	-22.7	-25.1	-15.9
February	24.6	8.3	17.9	14.7	9.6	21.0	22.8	35.3	16.6
March	21.7	20.4	22.2	12.3	15.9	12.4	23.3	18.8	19.7
April	-5.0	-5.0	-11.7	-9.6	-8.1	-17.8	-9.5	-9.7	-7.6
May	6.4	9.1	5.0	8.2	11.8	0.4	-0.8	5.7	7.3
June	-1.4	2.0	3.8	0.3	5.5	9.8	-0.4	5.0	1.7
July	0.7	-0.1	-2.2	-0.5	-3.3	-10.6	0.0	-16.5	-1.2
August	-14.6	-9.0	-9.8	-8.8	-12.6	-12.7	-18.2	3.8	-11.3
September	9.1	6.9	8.0	5.0	13.1	12.1	16.4	8.9	8.5
October	-7.5	1.5	-2.5	-7.6	-0.1	6.5	7.5	-4.3	-3.0
November	-2.4	-7.0	-9.0	-1.7	-3.6	-15.5	-16.3	0.0	-5.4
December	-6.7	2.7	-5.8	-2.4	-3.1	0.8	-0.7	-0.5	-3.1
2010									
January	-32.3	-28.5	-27.6	-29.2	-26.9	-26.5	-22.6	-31.2	-29.3

SEASONALLY ADJUSTED (% change from previous month)

2009									
January	3.3	4.6	6.1	9.9	5.0	6.7	4.7	-2.1	4.8
February	4.9	2.1	1.5	-2.5	2.4	4.3	1.9	13.0	3.5
March	2.5	5.2	8.4	0.2	2.0	0.0	6.6	4.0	4.5
April	3.3	0.6	-0.1	1.6	3.9	-7.6	2.4	-2.3	1.0
May	1.0	2.6	3.8	2.3	0.9	-6.4	-6.3	0.5	1.8
June	-0.9	1.2	0.1	-0.5	1.5	19.6	3.0	3.9	0.4
July	-1.5	-0.9	-2.9	-0.2	-2.6	-13.0	0.8	-18.4	-2.4
August	-4.6	-0.3	-1.7	-0.5	-8.1	-4.9	-7.8	16.0	-1.9
September	5.6	2.8	-0.2	0.7	14.2	3.8	0.0	-1.6	3.6
October	-6.9	-2.0	-1.6	-6.0	-0.5	8.6	9.1	-2.8	-3.1
November	-5.9	-3.5	-9.0	-7.0	-5.1	-17.0	-16.6	1.3	-6.2
December	-5.6	-4.9	-5.4	-5.8	-3.6	-4.6	-4.0	-0.9	-5.1
2010									
January	-7.3	-3.7	-9.6	-5.5	-11.1	-8.0	3.7	-4.4	-7.9

TREND (% change from previous month)

2009									
January	5.8	4.0	5.3	4.9	3.5	4.3	4.2	7.3	4.9
February	5.1	3.9	4.8	3.5	3.9	2.5	3.3	6.2	4.5
March	3.6	3.2	3.9	1.9	3.2	0.6	2.4	4.0	3.3
April	2.0	2.4	2.8	0.9	1.9	-1.0	1.2	1.5	2.1
May	0.8	1.7	1.6	0.6	0.9	-1.6	0.2	-0.5	1.1
June	0.0	1.2	0.5	0.4	0.3	-1.4	-0.6	-1.6	0.4
July	-0.8	0.7	-0.5	0.0	0.4	-1.0	-1.2	-1.5	-0.2
August	-1.9	-0.1	-1.8	-1.2	0.1	-1.2	-1.9	-1.2	-1.0
September	-2.9	-0.9	-3.0	-2.8	-0.4	-2.1	-2.5	-0.5	-2.0
October	-3.7	-1.7	-4.0	-3.9	-1.1	-3.4	-2.9	-0.3	-2.9
November	-4.2	-2.2	-4.6	-4.5	-1.8	-4.3	-3.2	-0.4	-3.5
December	-4.4	-2.4	-4.9	-4.6	-2.4	-4.8	-3.3	-0.7	-3.8
2010									
January	-4.2	-2.3	-4.6	-4.4	-2.5	-3.8	-2.9	-0.1	-3.6

(a) Excludes alterations and additions. Includes refinancing across lending institutions (see Glossary).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION) (a), By State and Territory (Value)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Australia
Month	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2009									
January	3 651	2 842	2 670	955	1 548	206	96	195	12 165
February	4 612	3 022	3 204	1 084	1 760	245	120	266	14 312
March	5 903	3 770	4 074	1 225	2 101	282	164	339	17 858
April	5 674	3 552	3 561	1 132	1 977	240	149	294	16 578
May	6 046	3 911	3 666	1 217	2 179	241	145	309	17 714
June	5 935	4 031	3 778	1 204	2 295	240	132	327	17 942
July	6 022	4 069	3 647	1 224	2 260	233	141	283	17 879
August	5 143	3 721	3 304	1 115	2 001	206	124	252	15 866
September	5 719	4 034	3 599	1 111	2 264	222	132	324	17 405
October	5 403	4 109	3 555	1 065	2 221	238	149	308	17 047
November	5 410	3 936	3 344	1 049	2 214	208	128	305	16 595
December	5 122	4 133	3 198	1 057	2 092	208	130	316	16 256
2010									
January	3 353	3 044	2 297	758	1 584	163	86	208	11 492
SEASONALLY ADJUSTED (b)									
2009									
January	4 877	3 316	3 175	1 130	1 846	233	123	263	14 790
February	5 214	3 375	3 246	1 126	1 889	242	129	292	15 503
March	5 429	3 632	3 603	1 149	1 983	247	142	301	16 555
April	5 604	3 721	3 643	1 158	2 107	238	150	299	16 873
May	5 669	3 782	3 718	1 177	2 091	226	144	298	17 136
June	5 606	3 826	3 671	1 168	2 184	246	132	310	17 156
July	5 541	3 827	3 555	1 169	2 064	237	139	273	16 863
August	5 279	3 792	3 530	1 169	1 964	225	133	276	16 343
September	5 744	4 042	3 544	1 119	2 274	227	130	313	17 435
October	5 398	3 948	3 427	1 091	2 225	241	144	295	16 846
November	5 181	3 892	3 299	1 022	2 178	210	122	297	16 198
December	4 934	3 798	3 121	982	2 061	204	121	294	15 519
2010									
January	4 713	3 772	2 891	929	1 951	189	114	290	14 737
TREND (b)									
2009									
January	4 879	3 305	3 178	1 084	1 820	231	128	265	14 833
February	5 177	3 446	3 355	1 128	1 914	238	134	282	15 628
March	5 405	3 574	3 504	1 155	1 996	241	139	294	16 283
April	5 543	3 680	3 608	1 169	2 053	241	141	300	16 733
May	5 605	3 762	3 660	1 175	2 087	239	142	299	16 986
June	5 618	3 823	3 666	1 176	2 107	237	140	296	17 089
July	5 597	3 870	3 635	1 169	2 128	235	138	293	17 095
August	5 537	3 897	3 569	1 149	2 143	233	136	292	16 988
September	5 443	3 907	3 481	1 116	2 150	229	133	293	16 785
October	5 321	3 903	3 378	1 076	2 147	222	130	294	16 495
November	5 179	3 885	3 265	1 033	2 130	215	127	295	16 133
December	5 029	3 858	3 149	993	2 100	207	123	295	15 737
2010									
January	4 891	3 828	3 045	956	2 071	200	119	296	15 366

(a) Excludes alterations and additions. Includes refinancing across lending institutions (see Glossary).

(b) Sum of states and territories may not equal Australian total (see paragraph 26 in Explanatory Notes).

HOUSING FINANCE COMMITMENTS (OWNER OCCUPATION), By Purpose and Change in Stock: Australia—Original

<i>Month</i>	<i>Commitments excluding refinancing of established dwellings(a)</i>	<i>Refinancing of established dwellings</i>	<i>Alterations and additions</i>	<i>Total</i>	<i>Commitments advanced during month</i>	<i>Commitments cancelled during month(b)</i>	<i>Commitments not advanced at end of month(b)</i>
<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>	<i>\$m</i>
2009							
January	8 896	3 268	430	12 594	10 422	1 979	41 412
February	10 632	3 680	533	14 845	10 904	2 118	43 658
March	13 410	4 448	590	18 448	13 623	2 330	46 165
April	12 484	4 094	525	17 103	14 847	1 747	46 673
May	13 425	4 290	569	18 283	15 505	1 870	47 582
June	13 496	4 445	527	18 469	16 711	2 116	47 224
July	13 631	4 248	539	18 418	15 314	2 319	48 009
August	12 180	3 686	459	16 326	14 657	2 168	46 514
September	13 669	3 735	488	17 893	14 895	2 867	46 645
October	13 355	3 692	485	17 532	15 159	2 040	46 981
November	12 906	3 689	469	17 064	14 511	1 838	47 694
December	12 588	3 668	497	16 753	15 751	1 559	47 155
2010							
January	8 972	2 520	375	11 867	11 503	1 236	46 287

(a) Excludes alterations and additions.

(b) These figures sometimes reflect a rebasing of the data by one or more lenders, without adjustment to earlier periods' commitments advanced or cancelled.

Month	FIRST HOME BUYERS			FIXED RATE LOANS (2 YEARS OR LONGER) (b)			ALL DWELLINGS FINANCED
	Dwellings financed	% of all dwellings financed	Average loan size	Dwellings financed	% of all dwellings financed	Average loan size	Average loan size
	no.	%	\$'000	no.	%	\$'000	\$'000
2009							
January	12 525	26.0	267.7	1 795	3.7	235.8	252.2
February	15 049	26.8	279.0	1 554	2.8	235.5	254.5
March	18 436	27.4	287.0	1 663	2.5	235.3	265.2
April	17 481	28.1	284.5	2 509	4.0	244.0	266.5
May	19 043	28.5	281.8	4 105	6.2	250.5	265.4
June	18 400	27.1	270.2	5 452	8.0	252.4	264.3
July	16 946	25.3	269.7	4 862	7.2	258.8	266.6
August	14 713	24.7	270.8	3 767	6.3	238.5	266.6
September	16 848	26.1	274.6	3 649	5.6	228.8	269.5
October	16 307	26.0	275.5	2 948	4.7	222.4	272.0
November	13 079	22.1	283.9	2 029	3.4	221.2	279.9
December	12 054	21.0	290.1	1 746	3.0	222.6	283.0
2010							
January	8 316	20.5	284.7	1 033	2.5	216.3	282.8

(a) Excludes alterations and additions.

(b) Includes refinancing across lending institutions (see Glossary).

	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings(b)	Total	Refinancing of established dwellings	Total excluding refinancing
NUMBER						
New South Wales	667	472	10 041	11 180	2 911	8 269
Victoria	1 660	525	8 457	10 642	2 781	7 861
Queensland	971	254	6 970	8 195	2 103	6 092
South Australia	377	134	2 877	3 388	891	2 497
Western Australia	1 093	214	4 032	5 339	1 358	3 981
Tasmania	101	28	660	789	182	607
Northern Territory	36	9	295	340	78	262
Australian Capital Territory	86	44	639	769	240	529
Total	4 991	1 680	33 971	40 642	10 544	30 098

	VALUE (\$ M)					
New South Wales	173	150	3 030	3 353	804	2 549
Victoria	370	162	2 512	3 044	634	2 410
Queensland	273	74	1 950	2 297	503	1 794
South Australia	87	34	636	758	165	593
Western Australia	287	69	1 228	1 584	321	1 263
Tasmania	17	5	141	163	28	135
Northern Territory	10	3	73	86	18	68
Australian Capital Territory	23	14	171	208	47	161
Total	1 238	512	9 742	11 492	2 520	8 972

	AVERAGE LOAN SIZE (\$'000)					
New South Wales	258.7	318.4	301.8	299.9	276.2	308.2
Victoria	222.8	307.7	297.1	286.0	227.8	306.6
Queensland	280.7	293.3	279.8	280.3	239.4	294.4
South Australia	231.1	256.5	221.1	223.6	184.8	237.4
Western Australia	262.3	323.5	304.6	296.7	236.7	317.1
Tasmania	166.4	180.8	213.9	206.6	154.0	222.4
Northern Territory	271.9	296.8	248.8	252.5	234.9	257.7
Australian Capital Territory	261.8	316.3	268.0	270.1	193.8	304.7
Total	248.0	304.5	286.8	282.8	239.0	298.1

(a) Excludes alterations and additions.

(b) Includes refinancing across lending institutions (see Glossary).

Month	OWNER OCCUPATION (SECURED FINANCE) (b)				INVESTMENT HOUSING (c) (d)			TOTAL
	Construction of dwellings	Purchase of new dwellings	Refinancing of established dwellings	Purchase of other established dwellings	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	All dwelling finance
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL								
2009								
January	918	540	3 268	7 439	253	3 624	284	16 325
February	1 101	650	3 680	8 880	266	4 000	287	18 866
March	1 445	804	4 448	11 161	363	4 805	354	23 381
April	1 403	742	4 094	10 338	291	4 853	548	22 271
May	1 630	793	4 290	11 002	682	5 268	457	24 121
June	1 746	784	4 445	10 966	470	5 791	910	25 113
July	1 793	824	4 248	11 015	303	5 245	579	24 005
August	1 625	759	3 686	9 795	343	4 966	722	21 898
September	1 844	819	3 735	11 006	502	5 085	544	23 536
October	1 970	779	3 692	10 606	375	5 001	609	23 032
November	1 776	731	3 689	10 398	305	5 329	624	22 854
December	1 734	846	3 668	10 008	414	5 415	784	22 868
2010								
January	1 238	512	2 520	7 222	214	4 157	495	16 357
SEASONALLY ADJUSTED								
2009								
January	1 185	658	4 078	8 870	377	4 518	380	20 065
February	1 244	704	3 954	9 602	313	4 413	291	20 520
March	1 402	773	4 138	10 242	339	4 626	412	21 932
April	1 452	767	4 148	10 506	330	4 933	653	22 789
May	1 541	764	4 198	10 633	614	4 956	484	23 189
June	1 589	748	4 131	10 689	422	4 938	617	23 134
July	1 586	763	4 001	10 513	240	4 920	572	22 595
August	1 624	795	3 722	10 203	364	5 116	711	22 534
September	1 735	803	3 746	11 152	447	5 141	539	23 562
October	1 907	772	3 708	10 459	378	5 167	623	23 014
November	1 843	736	3 635	9 985	398	5 260	610	22 466
December	1 732	772	3 486	9 528	346	5 300	720	21 884
2010								
January	1 676	666	3 304	9 092	324	5 429	669	21 159
TREND								
2009								
January	1 175	674	4 027	8 957	355	4 535	401	20 124
February	1 272	713	4 105	9 538	367	4 590	405	20 990
March	1 366	740	4 147	10 030	381	4 676	438	21 778
April	1 446	757	4 150	10 379	394	4 779	492	22 397
May	1 511	768	4 122	10 585	401	4 877	548	22 813
June	1 571	774	4 062	10 681	402	4 958	588	23 037
July	1 634	779	3 978	10 704	397	5 022	608	23 122
August	1 692	781	3 872	10 644	387	5 071	613	23 060
September	1 740	778	3 763	10 503	378	5 124	618	22 905
October	1 773	769	3 664	10 289	374	5 191	630	22 690
November	1 788	754	3 572	10 019	372	5 258	643	22 406
December	1 787	737	3 486	9 728	367	5 319	657	22 081
2010								
January	1 776	718	3 415	9 457	363	5 372	672	21 773

(a) Excludes alterations and additions.

(c) Excludes revolving credit.

(b) Includes refinancing across lending institutions (see Glossary).

(d) Includes refinancing (see Glossary).

Month	Banks(a)	Permanent Building Societies(a)	Credit Co-operatives(a)	Total Authorised Deposit-taking Institutions (ADIs) (a)	Securitisation Vehicles(b)	Other Lenders(b)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
OWNER-OCCUPIED HOUSING							
2009							
January	533 850	10 586	24 900	569 336	na	na	na
February	542 169	10 664	25 213	578 046	na	na	na
March	553 019	10 785	25 446	589 250	na	na	na
April	560 970	10 788	25 612	597 370	na	na	na
May	569 687	10 947	25 892	606 526	na	na	na
June	582 697	11 088	26 121	619 906	na	na	na
July	589 889	11 444	26 355	627 688	na	na	na
August	598 309	11 566	26 657	636 532	na	na	na
September	605 525	11 418	26 889	643 832	na	na	na
October	613 129	11 533	27 142	651 804	na	na	na
November	623 848	11 691	27 406	662 945	na	na	na
December	631 191	11 744	27 758	670 693	na	na	na
2010							
January	636 231	11 838	27 909	675 978	na	na	na
INVESTMENT HOUSING							
2009							
January	252 377	3 378	4 090	259 845	na	na	na
February	254 349	3 402	4 076	261 827	na	na	na
March	256 112	3 415	4 162	263 689	na	na	na
April	257 893	3 477	4 195	265 565	na	na	na
May	259 999	3 515	4 220	267 734	na	na	na
June	262 985	3 473	4 286	270 744	na	na	na
July	265 292	3 561	4 268	273 121	na	na	na
August	267 841	3 597	4 293	275 731	na	na	na
September	269 718	3 568	4 337	277 623	na	na	na
October	272 142	3 598	4 392	280 132	na	na	na
November	276 074	3 613	4 456	284 143	na	na	na
December	278 937	3 623	4 500	287 060	na	na	na
2010							
January	280 843	3 629	4 572	289 044	na	na	na
ALL RESIDENTIAL HOUSING							
2009							
January	786 227	13 964	28 990	829 181	na	na	na
February	796 518	14 066	29 289	839 873	na	na	na
March	809 131	14 200	29 608	852 939	146 818	12 773	1 012 530
April	818 863	14 265	29 807	862 935	na	na	na
May	829 686	14 462	30 112	874 260	na	na	na
June	845 682	14 561	30 407	890 650	136 305	11 479	1 038 434
July	855 181	15 005	30 623	900 809	na	na	na
August	866 150	15 163	30 950	912 263	na	na	na
September	875 243	14 986	31 226	921 455	128 899	11 118	1 061 472
October	885 271	15 131	31 534	931 936	na	na	na
November	899 922	15 304	31 862	947 088	na	na	na
December	910 128	15 367	32 258	957 753	119 989	11 090	1 088 832
2010							
January	917 074	15 467	32 481	965 022	na	na	na

na not available
(a) Source APRA.

(b) Source ABS quarterly collections.

WHAT IF...? REVISIONS TO TREND ESTIMATES

EFFECT OF NEW SEASONALLY ADJUSTED ESTIMATES ON TREND ESTIMATES

SENSITIVITY ANALYSIS

Readers should exercise care when interpreting the trend estimates of recent months because they will be revised when next month's seasonally adjusted estimates become available. For further information, see paragraphs 30 and 31 in the Explanatory Notes.

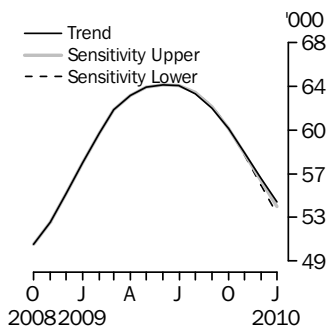
The graph below presents the effect of two possible scenarios on the trend estimates:

1 The February 2010 seasonally adjusted estimate of the number of dwelling commitments is higher than the January 2010 seasonally adjusted estimate by 2.3%.

2 The February 2010 seasonally adjusted estimate of the number of dwelling commitments is lower than the January 2010 seasonally adjusted estimate by 2.3%.

The percentage change chosen is the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data.

NUMBER OF OWNER OCCUPIED DWELLING FINANCE COMMITMENTS



	<i>Trend as published</i>		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
			<i>(1) rises by 2.3% on this month</i>		<i>(2) falls by 2.3% on this month</i>	
	no.	% change	no.	% change	no.	% change
July 2009	64 216	-0.2	64 216	-0.2	64 216	-0.2
August 2009	63 547	-1.0	63 628	-0.9	63 676	-0.8
September 2009	62 273	-2.0	62 381	-2.0	62 465	-1.9
October 2009	60 493	-2.9	60 535	-3.0	60 577	-3.0
November 2009	58 387	-3.5	58 305	-3.7	58 195	-3.9
December 2009	56 178	-3.8	55 962	-4.0	55 599	-4.5
January 2010	54 148	-3.6	53 772	-3.9	53 088	-4.5

EXPLANATORY NOTES

INTRODUCTION

1 This publication presents statistics on housing finance commitments made by significant lenders. This includes secured finance commitments for the construction or purchase of owner occupied dwellings and finance commitments for the construction or purchase of dwellings for rent or resale (investment housing). Also included are the outstanding values of housing loan assets to individuals held by lenders at the end of each reference month.

SCOPE

2 Finance commitments made by the following types of lenders are included:

- Banks
- Permanent building societies
- Credit unions/cooperative credit societies
- Life or general insurance companies
- General government enterprises
- Superannuation funds
- Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
- Registered Financial Corporations (RFCs).

3 All lending commitments are classified to the lender type which is (or will be) the legal lender on the corresponding loan contract. Commitments are published for two broad groupings of lender type: Banks and Non-Banks; the Non-Bank grouping also has the components Permanent Building Societies and Wholesale Lenders n.e.c. published.

4 Housing loan outstandings are classified to the following lender types: Banks; Permanent Building societies; Credit unions/cooperative credit societies; Securitisation vehicles; and Other lenders n.e.c.. The first three of these types are components of the grouping Authorised Deposit-taking Institutions (ADIs). Loan outstandings for the ADI lender types are published monthly, and are classified by purpose (owner occupied housing or investment housing). All other institutions, including securitisation vehicles, are only available on a quarterly basis. The release of loan outstandings data for those lenders reporting on a quarterly basis will be lagged by one month – for example March outstandings for securitisation vehicles and other lenders n.e.c. will be released from the April publication onwards.

COVERAGE

5 The statistics of housing finance commitments cover all banks and permanent building societies. The largest of the remaining lenders of secured housing finance for owner occupation are included so that, together with banks and building societies, at least 95% of the Australian total of finance commitments is covered, and at least 90% of each state total is covered. While many smaller contributors to the Non-Banks series are excluded under these coverage criteria, at least 70% of finance commitments by wholesale contributors are covered.

6 An annual collection is conducted to maintain and update the survey coverage of housing finance commitments. New lenders are included as their lending for housing becomes sufficiently large.

7 From June 2001, the collection of housing finance commitments covers all commitments by banks and permanent building societies, all other lenders providing funds of more than \$50m in 2000, and some additional smaller other lenders where necessary to maintain collection coverage (as specified in paragraph 5).

8 The statistics of housing loan outstandings cover all lenders included in the scope of paragraph 2 that have been identified as holding residential loan assets on their balance sheet as at the end of a particular reference month.

EXPLANATORY NOTES *continued*

SOURCES

9 For banks, credit cooperatives, building societies and RFCs, the statistics in this publication are currently derived from returns submitted to the Australian Prudential Regulation Authority (APRA). The *Financial Sector (Collection of Data) Act 2001* facilitates the collection of statistical data from the financial sector, with APRA established as the central point for collection of both prudential and statistical data. In October 2001, APRA implemented new reporting forms for building societies and credit cooperatives. New reporting forms were implemented for banks in March 2002, and for RFCs in March 2003. APRA commenced collecting loan commitments data from banks, credit cooperatives, building societies in July 2002 and from RFCs in March 2003.

10 Housing finance commitments for owner occupied housing from banks, building societies and credit cooperatives are derived from form *ARF 392.0 Housing Finance* collected by APRA. Housing finance commitments for investor housing from these lenders are sourced from the *ARF 394.0 Personal Finance*. Housing finance commitments for RFCs are collected on the *RRF 392.0 Housing Finance* and *RRF 394.0 Personal Finance* for owner occupied housing and investor housing respectively.

11 Statistics on loan outstandings in table 12 are sourced from banks on form *ARF 320.0 Statement of Financial Position (Domestic Books)* with lending by building societies and credit cooperatives derived from form *ARF 323.0: Statement of Financial Position (Licensed ADI)*. While building societies and credit cooperatives with total assets greater than or equal to \$50 million are required to report this APRA return on a monthly basis, those institutions with total assets less than this threshold are only required to submit this return on a quarterly basis. An undercoverage adjustment is made in deriving table 12 in the two months between the last month in the quarter to derive estimates for the complete population on a monthly basis.

12 Electronic versions of the forms and instructions for ADIs are available on the APRA web site at <<http://www.apra.gov.au/Statistics/Basel-II-reporting-forms-and-instructions-for-all-ADIs.cfm>>. For RFCs, these are available at: <<http://www.apra.gov.au/rfc/>>.

13 All other institutions, including securitisation vehicles, are collected directly by the ABS. Data on loan outstandings of households for housing purposes for these lender types are only available on a quarterly basis. The data for Other lenders n.e.c. is compiled from a range of other data sources collected by the Australian Bureau of Statistics.

REVISIONS

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

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

WHOLESALE LENDERS

16 A wholesale lender provides funds to borrowers through a retail intermediary which may then also be responsible for the ongoing relationship with the borrower.

17 The Wholesale Lenders n.e.c. series almost exclusively comprises securitisation vehicles (typically special purpose trusts), established to issue mortgage backed securities. It excludes commitments where a bank or permanent building society, acting as a wholesale provider of funds, is the lender on the loan contract. Those commitments are published as bank or permanent building society commitments.

18 From July 1995 to July 2000, mortgage managers reported housing finance commitments on behalf of wholesale lenders. The introduction of wholesale lenders as the reporting unit does not change the scope of the collection, but has increased its coverage. This, along with the reclassification of some lending activity, increased the

EXPLANATORY NOTES *continued*

WHOLESALE LENDERS *continued*

level of the Wholesale Lenders n.e.c. series for owner occupied housing by \$249m in July 2000.

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

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

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

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

SEASONAL ADJUSTMENT

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

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

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

25 Estimation of seasonal adjustment and trading day factors that reflect the full effect of recent developments is not possible until a sufficient number of years of data have been collected. When changes are occurring in the seasonal patterns, larger revisions to the seasonally adjusted series can be expected at the time of the annual seasonal re-analysis. Accordingly, the trend estimate data provide a more reliable indicator of underlying movement in housing finance commitments. (See paragraphs 30 and 31 for further information on trend estimates).

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

26 State component series have been seasonally adjusted independently of the Australian series. The sum of the state components is therefore unlikely to equal the corresponding Australian total. State component series are also affected by the changes mentioned in paragraphs 22 to 25.

27 The housing 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.

28 Autoregressive integrated moving average (ARIMA) modelling can improve the revision properties of the seasonally adjusted and trend estimates. ARIMA modelling relies on the characteristics of the series being analysed to project future period data. The projected values are temporary, intermediate values, that are only used internally to improve the estimation of the seasonal factors. The projected data do not affect the original estimates and are discarded at the end of the seasonal adjustment process. The housing finance collection uses an individual ARIMA model for 96% of the series in this publication. The ARIMA model is assessed as part of the annual reanalysis. For more information on ARIMA modelling see Feature article: Use of ARIMA modelling to reduce revisions in the October 2004 issue of *Australian Economic Indicators* (cat. no. 1350.0).

29 The best seasonally adjusted estimates are achieved only some years after corresponding original estimates have been released. However, this does not satisfy the demand for timely seasonally adjusted estimates. The ABS advises users that while every effort is made to achieve the highest possible quality of seasonally adjusted estimates, given the available original estimates and preset publication deadlines, revisions to these seasonally adjusted estimates are inevitable and generally indicate improvements to those estimates. The use of the concurrent seasonal adjustment approach means that revisions, and therefore quality improvements, are identified earlier than under the previously used forward factor method. Under the concurrent approach, revisions are made up to one year earlier than under the forward factor approach.

TREND ESTIMATES

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

31 While the smoothing technique described in paragraph 30 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

32 Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Changes in dollar value, number and percentage terms and averages presented in the commentary and the percentage change publication tables are based on unrounded data and may differ slightly from percentage changes and averages calculated from the rounded data presented in the tables in this publication.

EXPLANATORY NOTES *continued*

ABS DATA AVAILABLE ON REQUEST

33 Estimates for months prior to those shown in this publication and more detailed series are available in spreadsheet format from the ABS web site – see listing on pages 3 and 4. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

RELATED PRODUCTS

34 Other ABS publications which may be of interest are outlined below. Please note, older publications may no longer be available through ABS bookshops but are available through ABS libraries. All publications released from 1998 onwards are available on the ABS web site <<http://www.abs.gov.au>>:

- *Lending Finance, Australia* (cat. no. 5671.0) – issued monthly
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.55.001) – issued quarterly
- *Buildings Approvals, Australia* (cat. no. 8731.0) – issued monthly
- *Dwelling Unit Commencements, Australia, Preliminary* (cat. no. 8750.0) – issued quarterly.

35 Quarterly data prior to the March 2002 for housing loan outstandings by type of lending institution are available as a priced special data report related to the *Australian National Accounts: Financial Accounts* (cat. no. 5232.0). Inquiries regarding this special data report should be made to the contact on the front cover of this publication.

36 In addition, the Reserve Bank of Australia produces the monthly *Reserve Bank of Australia Bulletin* as well as data on its web site. *Bulletin* tables D1 & D2 contain statistics on lending and credit aggregates (including the housing credit aggregate), which contain lending and credit to the private non-financial sector. Table D5 Bank Lending Classified by Sector contains statistics on lending to persons for the purpose of housing, also classified by owner occupiers and investors with statistics available from January 1990.

37 Residential lending by building societies and credit cooperatives is also published in *Bulletin* tables B7 and B8. These statistics are also sourced from APRA collected data, although this will differ to statistics in table 12 of this publication since the *Bulletin* tables only include data for building societies and credit cooperatives with total assets greater than or equal to \$50 million. *Bulletin* table B.19 Securitisation Vehicles contains outstandings information for mortgages held, which includes both residential and non-residential mortgages.

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

GLOSSARY

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 loan	<p>The Average Loan series is calculated as follows:</p> $\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$ <p>The Average Loan series does not necessarily represent the average loan size per dwelling. For instance, the average separately reflects first and second mortgages, committed in separate months, which apply to the same dwelling.</p>
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	<p>Commitments not advanced at the end of the month are calculated as follows:</p> <p>Balance of unadvanced commitments at the end of the previous month + Total new housing commitments (including refinancing) + Alterations and additions = Total commitments – Cancellations of commitments – Commitments advanced during the month = Commitments not advanced at the end of the month</p>
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 a single self-contained place of residence such as a detached or semidetached house, a terrace house, a flat, home unit, town house, etc.
Dwelling units	Dwelling units refer to the number of single self-contained residences for which commitments have been made, either on the security of first mortgage or on contract of sale.
Established dwelling	An established dwelling is one which has been completed for 12 months or more prior to the lodgement of a loan application, or which has been previously occupied.
First home buyers	First home buyers are persons entering the home ownership market for the first time.
Fixed loans	<p>Generally involve:</p> <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.
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.
Housing Loan Outstandings	The value of outstanding housing loans to Australian households as at a particular point in time (for statistics in this publication this refers to the end of the reference month). A loan is defined as an asset of a lending institution, which is not evidenced by the issuing of a security by the borrower.
New dwelling	A new dwelling is one that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.

GLOSSARY *continued*

Other lenders n.e.c.	Comprises all lenders that are not banks, permanent building societies, credit cooperatives or securitisation vehicles. Includes life or general insurance companies, superannuation funds, government housing schemes, housing cooperatives, registered financial corporations and other financial institutions.
Refinancing	For investment housing finance, it represents a commitment to refinance an existing loan. For secured housing finance for owner occupation, only those loans where the refinancing lender is a different 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 housing finance	This is all secured commitments to individuals for the construction or purchase of dwellings for owner occupation, regardless of type of security. Commitments for dwellings that will be occupied by persons other than the owner(s) are excluded.
Securitisation vehicle	Special purpose vehicles (generally trusts) that issue mortgage backed securities, which are debt securities secured by specific pools of mortgages and repaid from the cash flows (principal and interest payments) of the specific mortgage pool.
Self-contained	The dwelling includes bathing and cooking facilities.
Wholesale lenders	A wholesale lender provides funds to borrowers through a retail intermediary which may then also be responsible for the ongoing relationship with the borrower. The Wholesale Lenders n.e.c. (not elsewhere classified) series almost exclusively comprises securitisation vehicles (typically special purpose trusts) established to issue mortgage backed securities. It excludes funds provided where a bank or permanent building society, acting as a wholesale provider of funds, remains the lender on the contract. Those commitments are published as bank or permanent building society commitments.

FOR MORE INFORMATION . . .

INTERNET **www.abs.gov.au** the ABS website is the best place for data from our publications and information about the ABS.

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