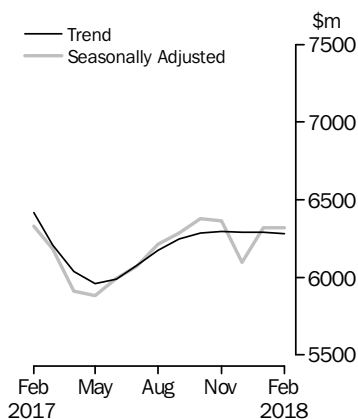


LENDING FINANCE

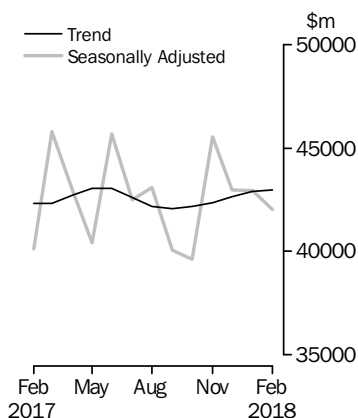
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) MON 16 APR 2018

Personal Finance



Commercial Finance



INQUIRIES

For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070.

KEY FIGURES

	Jan 2018	Feb 2018	Jan 2018 to Feb 2018
	\$m	\$m	% change
TREND ESTIMATES			
Housing finance for owner occupation ^(a)	21 249	21 337	0.4
Personal finance	6 289	6 282	-0.1
Commercial finance	42 889	42 986	0.2
Lease finance	555	550	-1.1
SEASONALLY ADJUSTED ESTIMATES			
Housing finance for owner occupation ^(a)	21 217	21 494	1.3
Personal finance	6 319	6 318	0.0
Commercial finance	42 944	42 024	-2.1
Lease finance	550	536	-2.6

(a) Excludes alterations and additions

KEY POINTS

FEBRUARY 2018 COMPARED WITH JANUARY 2018:

HOUSING FINANCE FOR OWNER OCCUPATION

- The total value of owner occupied housing commitments excluding alterations and additions rose 0.4% in trend terms, and the seasonally adjusted series rose 1.3%.

PERSONAL FINANCE

- The trend series for the value of total personal finance commitments fell 0.1%. Fixed lending commitments fell 0.7%, while revolving credit commitments rose 1.0%.
- The seasonally adjusted series for the value of total personal finance commitments was flat. Revolving credit commitments rose 3.7%, while fixed lending commitments fell 2.2%.

COMMERCIAL FINANCE

- The trend series for the value of total commercial finance commitments rose 0.2%. Fixed lending commitments rose 0.5%, while revolving credit commitments fell 0.6%.
- The seasonally adjusted series for the value of total commercial finance commitments fell 2.1%. Revolving credit commitments fell 18.7%, while fixed lending commitments rose 3.4%.

LEASE FINANCE

- The trend series for the value of total lease finance commitments fell 1.1% in February 2018 and the seasonally adjusted series fell 2.6%, following a fall of 6.3% in January 2018.

NOTES

FORTHCOMING ISSUES

ISSUE	RELEASE DATE
March 2018	15 May 2018
April 2018	12 June 2018
May 2018	13 July 2018
June 2018	10 August 2018
July 2018	11 September 2018

FORTHCOMING CHANGES

The ABS is proposing to combine Housing Finance, Australia (5609.0) and Lending Finance, Australia (5671.0) into a single, simpler publication called Lending to Households and Businesses, Australia (5601.0). The new publication is expected to be released on 12 June 2018. Some of the data currently published in the two publications will no longer be published in the new consolidated publication, however, some existing outputs will be further disaggregated. New analytical series will also be added with the inclusion of seasonally adjusted and trend estimates for more data items.

An information paper which outlines the changes in more detail and format of the new publication as well as historical data in the new table structures, will be released no less than one month prior to the first release of Lending to Households and Businesses, Australia (5601.0).

REVISIONS

In this issue, revisions have been made to the original series as a result of improved reporting of survey and administrative data. These revisions have affected the following series:

- Commercial Finance for the period January 2018.
- Lease Finance for the period January 2018.

PRIVACY

The *ABS Privacy Policy* outlines how the ABS will handle any personal information that you provide to the ABS.

ABBREVIATIONS

\$m	million dollars
ABS	Australian Bureau of Statistics
ADI	Authorised Deposit-taking Institution
APRA	Australian Prudential Regulation Authority
ARIMA	autoregressive integrated moving average
n.e.c.	not elsewhere classified
RBA	Reserve Bank of Australia
RFC	Registered Financial Corporation

David W. Kalisch
Australian Statistician

CONTENTS

	<i>page</i>
Time Series Data	4
ANALYSIS	
Summary of findings	5
TABLES	
1 Finance commitments, summary	7
2 Housing and personal finance commitments, by lender, original	8
3 Commercial and lease finance commitments, by lender, original	9
4 Personal finance commitments, by purpose (fixed loans), original	10
5 Personal finance commitments, revolving credit stocks and flows, original	11
6 Commercial finance commitments, by purpose (fixed loans), original	12
7 Lease and revolving commercial finance commitments, stocks and flows, original	12
8 Finance commitments for housing (owner occupation and commercial)	13
9 Finance commitments for motor vehicles, original	14
10 Lease finance commitments for motor vehicles, original	15
11 Commercial and lease finance commitments for plant and equipment, original	16
12 Lease finance commitments for plant and equipment, original	17
OTHER INFORMATION	
Explanatory Notes	18
Glossary	22

TIME SERIES DATA

TIME SERIES DATA

Data available free on the ABS website <<http://www.abs.gov.au>> include:

- longer time series of tables in this publication, and
- the following tables:

13. Lending Finance Seasonal Factors and Forward Factors for 12 months, By Purpose: Australia (from January 1985)
14. Commercial finance commitments, summary (original, seasonally adjusted, trend)
15. Commercial finance commitments, fixed loans and revolving credit
16. Commercial finance commitments, fixed loans and revolving credit by lender
17. Commercial finance commitments, fixed loans by industry
18. Commercial finance commitments, revolving credit by industry
- 19 to 26. Commercial finance commitments, fixed loans and revolving credit by state and territory
27. Lease finance commitments, summary (original, seasonally adjusted, trend)
28. Lease finance commitments by purpose
29. Lease finance commitments by purpose and lender
30. Lease finance commitments by industry
- 31 to 38. Lease finance commitments by purpose and state and territory
39. Operating lease finance commitments by purpose
40. Operating lease finance commitments by lender
41. Operating lease finance commitments by industry
- 42 to 49. Operating lease finance commitments by purpose and state and territory
50. Personal finance commitments, summary (original, seasonally adjusted, trend)
51. Personal finance commitments, fixed loans and revolving credit
52. Personal finance commitments, fixed loans and revolving credit by lender
- 53 to 60. Personal finance commitments, fixed loans and revolving credit by state and territory

SUMMARY OF FINDINGS

HOUSING FINANCE FOR OWNER OCCUPATION

The total value of owner occupied housing commitments excluding alterations and additions rose 0.4% in trend terms and the seasonally adjusted series rose 1.3%.

Further detail can be found in Table 1 on the downloads tab of this release and in the PDF.

For further information, please refer to Housing Finance, Australia (cat. no. 5609.0), which was released on 12 April 2018.

PERSONAL FINANCE

The trend series for the value of total personal finance commitments fell 0.1% in February 2018 compared with January 2018. Fixed lending commitments fell 0.7%, while revolving credit commitments rose 1.0%.

The seasonally adjusted series for the value of total personal finance commitments was flat. Revolving credit commitments rose 3.7%, while fixed lending commitments fell 2.2%.

Further detail can be found in Tables 1 and 4 on the downloads tab of this release and in the PDF.

COMMERCIAL FINANCE

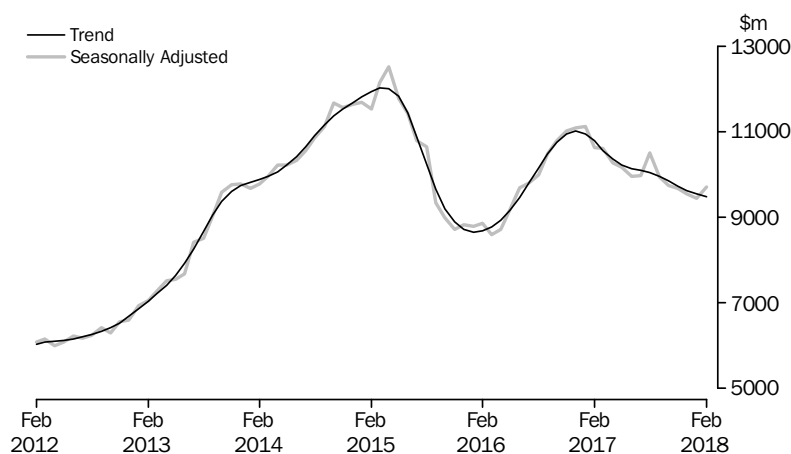
The trend series for the value of total commercial finance commitments rose 0.2% in February 2018 compared with January 2018. Fixed lending commitments rose 0.5%, while revolving credit commitments fell 0.6%.

The seasonally adjusted series for the value of total commercial finance commitments fell 2.1% in February 2018, following a fall of 0.1% in January 2018. Revolving credit commitments fell 18.7%, after a rise of 5.4% in the previous month. Fixed lending commitments rose 3.4%, after a fall of 1.8% in the previous month.

The value of commitments for the purchase of dwellings by individuals for rent or resale (trend) fell 0.6% in February 2018 while the seasonally adjusted series rose 2.9%.

Further detail can be found in Tables 1 and 8 on the downloads tab of this release and in the PDF.

PURCHASE OF DWELLINGS BY INDIVIDUALS FOR RENT OR RESALE



SUMMARY OF FINDINGS *continued*

LEASE FINANCE

The trend series for the value of total lease finance commitments fell 1.1% in February 2018 and the seasonally adjusted series fell 2.6%, following a fall of 6.3% in January 2018.

Further detail can be found in Table 1 on the downloads tab of this release and in the PDF.

FINANCE COMMITMENTS, Summary

Month	SECURED HOUSING(a)		PERSONAL(b)			COMMERCIAL			LEASE
	Construction and purchase of dwellings(c)	Alterations and additions	Fixed loans(d)	Revolving credit(e)	Total	Fixed loans(d)	Revolving credit(e)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2017									
February	17 477	369	3 749	2 263	6 013	25 803	6 544	32 347	608
March	21 732	421	4 219	2 481	6 700	37 175	11 294	48 469	644
April	17 638	328	3 225	1 972	5 197	29 225	7 631	36 857	521
May	22 899	452	4 162	2 301	6 463	33 568	7 127	40 696	620
June	21 575	411	4 238	2 625	6 863	45 879	13 736	59 616	769
July	20 164	350	3 590	2 400	5 989	31 746	8 879	40 625	543
August	22 140	417	3 921	2 337	6 258	34 432	8 871	43 303	556
September	20 767	443	3 861	2 042	5 903	29 186	9 589	38 775	535
October	21 603	408	4 113	2 233	6 346	30 238	9 516	39 754	594
November	24 039	416	4 292	2 361	6 653	38 062	8 744	46 806	514
December	21 434	346	3 724	2 068	5 792	39 143	13 235	52 378	644
2018									
January	18 069	314	3 486	2 260	5 746	25 096	8 112	33 208	475
February	18 763	326	3 564	2 442	6 006	26 973	7 011	33 984	504
SEASONALLY ADJUSTED									
2017									
February	20 044	382	4 077	2 252	6 330	31 974	8 163	40 137	650
March	20 288	378	3 835	2 351	6 186	34 084	11 724	45 808	578
April	20 061	379	3 646	2 265	5 911	34 355	8 606	42 961	604
May	20 714	416	3 685	2 197	5 882	32 780	7 647	40 427	599
June	20 721	380	3 653	2 340	5 994	35 970	9 721	45 690	625
July	21 009	357	3 803	2 269	6 072	33 595	8 895	42 489	567
August	21 099	398	3 820	2 393	6 213	33 874	9 225	43 099	580
September	20 844	436	3 992	2 292	6 284	29 992	10 077	40 069	561
October	20 736	404	4 136	2 240	6 376	29 999	9 621	39 621	587
November	21 302	385	4 070	2 296	6 366	36 733	8 803	45 536	542
December	21 081	380	3 939	2 156	6 095	32 799	10 172	42 971	587
2018									
January	21 217	377	3 971	2 348	6 319	32 221	10 723	42 944	550
February	21 494	337	3 883	2 435	6 318	33 307	8 716	42 024	536
TREND									
2017									
February	20 171	378	4 046	2 370	6 416	33 852	8 454	42 306	671
March	20 255	382	3 895	2 312	6 207	33 623	8 706	42 329	660
April	20 395	384	3 764	2 276	6 040	33 787	8 930	42 717	633
May	20 557	386	3 691	2 270	5 961	33 960	9 097	43 057	605
June	20 718	389	3 700	2 286	5 986	33 860	9 176	43 036	586
July	20 853	394	3 773	2 301	6 074	33 428	9 170	42 598	580
August	20 936	399	3 872	2 300	6 172	32 923	9 256	42 180	580
September	20 977	401	3 959	2 289	6 248	32 584	9 475	42 059	574
October	21 012	399	4 007	2 278	6 286	32 528	9 645	42 172	569
November	21 073	393	4 019	2 275	6 294	32 675	9 697	42 372	564
December	21 159	382	4 007	2 286	6 292	32 923	9 727	42 650	560
2018									
January	21 249	370	3 982	2 308	6 289	33 154	9 735	42 889	555
February	21 337	357	3 953	2 330	6 282	33 311	9 675	42 986	550

(a) For owner occupation.

(d) Includes refinancing (see Glossary).

(b) Includes unsecured housing finance for owner occupation.

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

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

HOUSING AND PERSONAL FINANCE COMMITMENTS, By Lender: Original

Month	HOUSING FINANCE(a)					PERSONAL FINANCE(b)				
	Banks	Permanent building societies	Wholesale lenders n.e.c.	Other lenders	Total	Banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017										
February	16 128	138	361	850	17 477	4 565	129	147	1 171	6 013
March	20 167	193	413	960	21 732	5 094	152	154	1 300	6 700
April	16 445	134	338	721	17 638	3 882	112	97	1 106	5 197
May	21 341	140	510	907	22 899	4 897	149	130	1 287	6 463
June	20 065	179	472	859	21 575	5 008	142	139	1 574	6 863
July	18 821	145	476	721	20 164	4 390	121	106	1 372	5 989
August	20 623	138	582	797	22 140	4 460	np	np	1 567	6 258
September	19 245	160	530	831	20 767	4 294	np	np	1 382	5 903
October	19 977	216	523	886	21 603	4 725	np	np	1 379	6 346
November	22 234	173	560	1 073	24 039	5 020	np	np	1 386	6 653
December	19 882	128	447	977	21 434	4 320	np	np	1 235	5 792
2018										
January	16 689	94	430	855	18 069	4 159	np	np	1 339	5 746
February	17 288	110	448	917	18 763	4 125	np	np	1 637	6 006

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

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

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

Month	COMMERCIAL FINANCE					LEASE FINANCE				
	Banks	Money market corporations	Finance companies	Other lenders	Total	Banks	General financiers	Finance companies	Other lessors	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017										
February	28 721	np	np	np	32 347	214	146	33	215	608
March	43 636	np	1 246	np	48 469	235	168	52	188	644
April	33 331	np	936	np	36 857	214	146	np	np	521
May	36 413	np	1 260	np	40 696	228	164	45	184	620
June	54 366	np	1 792	np	59 616	314	191	60	204	769
July	36 684	np	1 266	np	40 625	184	161	46	152	543
August	38 679	np	1 114	np	43 303	168	171	42	175	556
September	34 729	np	1 479	np	38 775	191	155	np	np	535
October	34 912	np	1 559	np	39 754	201	196	44	152	594
November	42 013	np	1 689	np	46 806	158	154	42	160	514
December	47 739	np	1 194	np	52 378	185	273	np	np	644
2018										
January	30 062	np	994	np	33 208	139	168	25	143	475
February	29 701	np	np	np	33 984	161	150	np	np	504

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

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

<i>Month</i>	<i>New motor cars and station wagons</i>	<i>Used motor cars and station wagons</i>	<i>Total motor vehicles(a)</i>	<i>Individual residential blocks of land</i>	<i>Unsecured finance for owner occupation(b)</i>	<i>Debt consolidation</i>	<i>Refinancing</i>	<i>Other(c)</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017									
February	669	485	1 294	551	59	553	518	774	3 749
March	737	535	1 429	676	91	488	586	949	4 219
April	551	414	1 092	578	50	318	444	744	3 225
May	713	515	1 391	888	71	407	452	952	4 162
June	853	526	1 557	837	62	418	443	921	4 238
July	645	477	1 259	641	55	389	466	780	3 590
August	711	538	1 405	703	56	np	np	818	3 921
September	677	498	1 331	674	65	521	469	800	3 861
October	676	514	1 341	677	63	625	522	885	4 113
November	769	515	1 430	701	73	672	509	907	4 292
December	662	444	1 245	682	50	527	429	790	3 724
2018									
January	692	500	1 336	526	45	458	407	714	3 486
February	661	488	1 293	549	67	463	430	762	3 564

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

(b) Includes alterations and additions.

(a) Includes motorcycles and other motor vehicles.

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

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

Month	NEW AND INCREASED CREDIT LIMITS			CANCELLATIONS AND REDUCTIONS	CREDIT AT END OF MONTH	
	Secured	Unsecured	Total	Total(a)	Total limits(a)	Credit used
	\$m	\$m	\$m	\$m	\$m	\$m
2017						
February	734	1 530	2 263	2 607	253 146	100 814
March	805	1 676	2 481	2 707	253 011	99 972
April	590	1 382	1 972	2 673	252 446	99 574
May	633	1 669	2 301	3 226	251 532	99 285
June	867	1 758	2 625	2 773	251 290	99 562
July	650	1 751	2 400	2 703	251 054	97 851
August	481	1 856	2 337	2 930	250 645	96 941
September	430	1 613	2 042	2 564	250 215	96 414
October	613	1 620	2 233	2 704	249 828	95 835
November	686	1 675	2 361	3 703	248 455	95 958
December	577	1 491	2 068	2 327	248 253	96 285
2018						
January	367	1 893	2 260	2 358	249 049	95 163
February	426	2 016	2 442	2 653	248 974	95 472

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

6

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

Month	Construction finance	Purchase of real property	Wholesale finance	Purchase of plant and equipment	Refinancing	Other	Total	Commitments not drawn at end of month
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017								
February	1 324	12 669	1 702	2 712	1 825	5 571	25 803	56 732
March	1 659	15 871	2 729	3 156	3 878	9 882	37 175	60 545
April	2 033	12 270	1 970	2 375	4 261	6 317	29 225	62 246
May	1 681	15 406	2 912	3 142	1 953	8 473	33 568	59 197
June	2 917	16 778	2 892	4 270	3 800	15 223	45 879	59 275
July	1 635	14 509	2 160	2 798	2 258	8 385	31 746	57 906
August	2 673	14 607	1 969	3 204	2 345	9 633	34 432	59 671
September	1 648	12 951	2 345	2 907	2 183	7 151	29 186	57 939
October	1 797	13 951	2 094	3 164	2 185	7 047	30 238	57 764
November	3 673	14 970	2 015	3 275	3 578	10 551	38 062	60 802
December	3 562	13 574	2 581	3 118	4 197	12 111	39 143	63 262
2018								
January	1 647	10 919	1 483	2 353	1 919	6 775	25 096	59 826
February	1 818	11 749	2 215	2 848	2 047	6 297	26 973	58 543

7

LEASE AND REVOLVING COMMERCIAL FINANCE COMMITMENTS, BY STOCK: AUSTRALIA, ORIGINAL (\$M)

	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
2017						
February	608	np	6 544	6 382	348 320	188 171
March	644	np	11 294	8 806	351 139	188 565
April	521	np	7 631	10 570	348 698	188 411
May	620	np	7 127	9 986	346 684	187 783
June	769	np	13 736	9 472	350 091	185 915
July	543	np	8 879	8 754	348 908	186 529
August	556	np	8 871	8 755	349 379	185 423
September	535	np	9 589	9 854	349 527	187 164
October	594	np	9 516	7 698	351 935	190 861
November	514	np	8 744	10 969	350 104	188 810
December	644	np	13 235	12 447	350 016	186 699
2018						
January	475	np	8 112	9 087	348 022	187 356
February	504	np	7 011	6 832	349 229	187 741

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

FINANCE COMMITMENTS, For Housing (Owner Occupation and Commercial)

Month	OWNER OCCUPATION (SECURED FINANCE)				OWNER OCCUPATION (UNSECURED FINANCE)	COMMERCIAL FINANCE(a)			ALL HOUSING FINANCE	
	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings(b)	Alterations and additions	Total(c)	Construction of dwellings for rent and resale	Purchase of dwellings by individuals for rent or resale (d)	Purchase of dwellings by others for rent or resale	Total	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
ORIGINAL										
2017										
February	1 623	870	14 984	369	59	837	9 117	982	28 843	
March	1 982	1 200	18 551	421	91	1 227	11 547	1 157	36 174	
April	1 663	940	15 036	328	50	1 067	9 146	852	29 081	
May	2 304	1 207	19 387	452	71	1 159	11 818	1 192	37 592	
June	2 282	1 239	18 054	411	62	1 651	11 659	1 554	36 913	
July	2 139	1 095	16 930	350	55	957	9 802	1 045	32 373	
August	2 241	1 271	18 629	417	56	1 027	10 676	1 062	35 378	
September	2 009	1 244	17 513	443	65	949	9 587	838	32 647	
October	2 051	1 296	18 255	408	63	1 173	9 608	936	33 790	
November	2 168	1 373	20 498	416	73	1 617	10 379	1 041	37 565	
December	1 920	1 315	18 198	346	50	1 176	9 414	1 220	33 640	
2018										
January	1 748	933	15 388	314	45	783	7 858	1 231	28 300	
February	1 722	1 106	15 936	326	67	993	8 339	961	29 449	
SEASONALLY ADJUSTED										
2017										
February	1 869	968	17 207	382	60	1 029	10 625	1 136	33 276	
March	1 866	1 110	17 312	378	74	1 070	10 611	1 100	33 519	
April	1 914	1 082	17 065	379	59	1 125	10 276	1 043	32 943	
May	1 980	1 133	17 600	416	67	995	10 156	1 122	33 470	
June	2 049	1 174	17 498	380	61	1 244	9 953	1 324	33 684	
July	2 147	1 200	17 662	357	64	995	9 978	1 022	33 424	
August	2 071	1 209	17 818	398	58	1 070	10 496	1 063	34 185	
September	2 022	1 234	17 588	436	64	1 061	9 944	778	33 128	
October	2 022	1 214	17 500	404	61	1 262	9 747	1 004	33 215	
November	2 018	1 220	18 064	385	58	1 389	9 677	1 060	33 871	
December	2 018	1 195	17 868	380	54	1 176	9 543	1 087	33 321	
2018										
January	2 130	1 167	17 921	377	53	1 113	9 433	1 421	33 615	
February	1 988	1 240	18 265	337	70	1 215	9 707	1 108	33 931	
TREND										
2017										
February	1 856	1 061	17 254	378	66	1 095	10 775	1 138	33 624	
March	1 890	1 075	17 290	382	66	1 098	10 551	1 142	33 494	
April	1 938	1 099	17 358	384	65	1 091	10 350	1 144	33 429	
May	1 991	1 130	17 435	386	64	1 078	10 210	1 132	33 427	
June	2 037	1 165	17 517	389	63	1 074	10 133	1 104	33 483	
July	2 061	1 194	17 598	394	63	1 087	10 092	1 058	33 547	
August	2 067	1 212	17 657	399	62	1 119	10 040	1 013	33 568	
September	2 058	1 217	17 702	401	60	1 155	9 954	991	33 539	
October	2 045	1 215	17 752	399	59	1 189	9 841	1 007	33 508	
November	2 037	1 211	17 826	393	59	1 212	9 718	1 056	33 512	
December	2 035	1 207	17 917	382	59	1 223	9 615	1 121	33 559	
2018										
January	2 035	1 205	18 009	370	59	1 224	9 542	1 182	33 626	
February	2 040	1 204	18 094	357	60	1 213	9 481	1 230	33 678	

(a) Excludes revolving credit.

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

(c) Includes alterations and additions.

(d) Includes refinancing (See Glossary).

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

Month	PERSONAL FINANCE(a)				Total	COMMERCIAL	LEASE	ALL VEHICLE
	New motor cars and station wagons	Used motor cars and station wagons	Motorcycles	Other motor vehicles		FINANCE(a)	FINANCE	FINANCE
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017								
February	669	485	41	99	1 294	1 159	318	2 771
March	737	535	41	116	1 429	1 383	380	3 192
April	551	414	31	96	1 092	1 034	284	2 410
May	713	515	41	122	1 391	1 426	389	3 206
June	853	526	42	136	1 557	1 973	458	3 988
July	645	477	32	104	1 259	1 200	349	2 808
August	711	538	37	119	1 405	1 222	385	3 012
September	677	498	39	117	1 331	1 159	354	2 845
October	676	514	36	115	1 341	1 187	363	2 891
November	769	515	36	111	1 430	1 378	355	3 162
December	662	444	33	107	1 245	1 220	366	2 831
2018								
January	692	500	28	116	1 336	1 086	315	2 738
February	661	488	30	114	1 293	1 248	340	2 880

(a) Excludes revolving credit.

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

Month	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
2017								
February	200	67	26	np	8	np	np	318
March	230	79	31	7	20	np	np	380
April	172	58	30	6	8	2	8	284
May	228	73	38	np	24	5	np	389
June	277	84	46	8	20	3	19	458
July	216	64	33	np	18	np	np	349
August	239	71	40	np	13	3	np	385
September	209	68	38	6	21	np	np	354
October	219	66	37	np	22	np	np	363
November	214	69	32	6	22	np	np	355
December	218	61	33	7	34	np	np	366
2018								
January	189	62	23	5	27	np	np	315
February	194	68	28	7	19	1	22	340

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

Month	COMMERCIAL FINANCE(b)			LEASE FINANCE	ALL PLANT AND EQUIPMENT FINANCE
	<i>Transport equipment</i>	<i>Other plant and equipment</i>	<i>Total</i>	<i>Total</i>	Total
	\$m	\$m	\$m	\$m	\$m
2017					
February	238	1 315	1 553	291	1 844
March	278	1 495	1 773	264	2 037
April	199	1 142	1 341	237	1 577
May	305	1 412	1 717	231	1 948
June	339	1 957	2 296	312	2 608
July	236	1 361	1 598	194	1 792
August	281	1 701	1 982	171	2 153
September	283	1 465	1 748	181	1 929
October	280	1 697	1 977	231	2 208
November	279	1 618	1 897	160	2 057
December	286	1 613	1 899	278	2 176
2018					
January	212	1 054	1 266	160	1 426
February	258	1 343	1 600	164	1 765

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

(b) Excludes revolving credit.

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

Month	Transport equipment (a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manu- facturing equipment	Electronic data processing equipment	Office machines	Shop and office furniture, fittings and equipment	Other goods	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2017									
February	2	94	9	2	49	111	11	12	291
March	np	58	np	np	38	95	24	np	264
April	np	79	np	np	31	77	22	np	237
May	np	47	np	np	46	91	18	np	231
June	5	87	42	24	46	40	47	22	312
July	np	52	np	np	39	34	6	np	194
August	—	52	np	np	40	34	11	19	171
September	1	49	7	4	24	30	38	27	181
October	np	57	19	2	60	np	np	np	231
November	3	54	10	1	32	32	7	20	160
December	2	np	np	4	54	28	11	24	278
2018									
January	np	68	7	3	43	23	8	np	160
February	np	53	11	2	39	31	11	np	164

— nil or rounded to zero (including null cells)

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

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

EXPLANATORY NOTES

INTRODUCTION

- 1** This publication presents statistics on 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 leases and excludes operating and leverage leases. Operating lease finance statistics are provided separately as spreadsheets on the Downloads tab of this issue.

SCOPE

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

COVERAGE

- 7** Until the statistics in this publication were derived from returns submitted to the Australian Prudential Regulation Authority (APRA) (see paragraph 10), the statistics covered 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 were 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 were covered. While many lenders other than banks were not covered, at least 70% coverage was maintained for all published lender types (including the Other Lenders series and Other Lessors series).
- 8** When APRA commenced the collection, lending commitments by Non-Banks with total assets of \$50 million or more were covered. All banks' lending commitments were covered.
- 9** From January 2014 a monthly reporting threshold was introduced for Non-Banks to provide 95 per cent asset coverage of the non-bank sector. Non-banks with assets below the \$200m asset threshold ceased reporting from January 2014 while other Non-Banks with assets above the threshold started reporting to APRA from January 2014. The lending commitments of those which started reporting in January 2014 were excluded from the January 2014 to January 2015 published statistics pending assessment of seasonal impacts of those non-banks' commitments on seasonally adjusted and trend series estimates. Issues of this publication from February 2015 include finance commitments from January 2014 reported by Non-Banks above the reporting threshold.

EXPLANATORY NOTES *continued*

COVERAGE *continued*

A trend break in January 2014 was added to the Lease Finance series published in Tables 1 and 27, due to this change in coverage.

SOURCES

10 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 and building societies in July 2002, and from RFCs in March 2003.

11 Secured housing finance commitments for owner occupied housing from banks, building societies and credit cooperatives are derived from *ARF 392.0 Housing Finance* form collected by APRA. Personal finance commitments from these lenders are sourced from the *ARF 394.0 Personal Finance* form. Commercial finance commitments from these lenders are sourced from the *ARF 391.0 Commercial Finance* form and from the *ARF 394.0 Personal Finance* form for fixed loans for personal investment purposes. Lease finance commitments are sourced from the *ARF 393.0 Lease Finance* form.

12 Finance commitments for RFCs are collected on the *RRF 391.0 Commercial Finance* (commercial finance commitments), *RRF 392.0 Housing Finance* (secured housing finance commitments for owner occupied housing), *RRF 393.0 Lease Finance* (lease finance commitments) and *RRF 394.0 Personal Finance* (personal finance commitments and commercial finance commitments).

13 Electronic versions of the forms and instructions for ADIs are available on the APRA website at <http://www.apra.gov.au/adi/reportingframework/pages/adi-reporting.aspx>. For RFCs, these are available at: <http://www.apra.gov.au/NonReg/Pages/Registered-Financial-Corporations.aspx>.

14 All other institutions, including securitisation vehicles, are collected directly by the ABS.

REVISIONS

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

16 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 recorded in the 'Series breaks' tabs of Statistical Table B2 on the Reserve Bank of Australia's website: RBA Statistical Tables.

SEASONAL ADJUSTMENT

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

18 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 biennial (once every

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

two years) seasonal reanalysis. Accordingly, the trend estimate data provide a more reliable indicator of underlying movement in housing finance commitments. (See paragraphs 21 and 22 for further information on trend estimates).

19 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.

20 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 lending finance collections use an individual ARIMA model for the majority of the series in this publication. The concurrent seasonal adjustment approach re-estimates seasonal factors each month with the receipt of each new observation. The parameters used for seasonal adjustment are routinely reviewed every 12 to 24 months to ensure the quality of the seasonal factors. The last reanalysis occurred in February 2017 for the January 2017 issue. 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).

TREND ESTIMATES

21 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* (cat. no. 1349.0).

22 While the smoothing technique described in paragraph 21 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

23 Where figures have been rounded, discrepancies may occur between sums of the component items and totals. Published changes in dollar value and percentage terms are calculated using unrounded data and may differ slightly from, but are more accurate than, changes calculated from the rounded data presented in this publication.

ABS DATA AVAILABLE ON REQUEST

24 Estimates for months prior to those shown in this publication and more detailed series are available in spreadsheet format from the Australian Bureau of Statistics (ABS) website. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

RELATED PUBLICATIONS

25 Users may also wish to refer to the following ABS releases:

- *Housing Finance, Australia* (cat. no. 5609.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.55.001) – issued quarterly
- *Building Approvals, Australia* (cat. no. 8731.0) – issued monthly

EXPLANATORY NOTES *continued*

RELATED PUBLICATIONS

continued

- *Dwelling Unit Commencements, Australia, Preliminary* (cat. no. 8750.0) – issued quarterly (final issue June 2012)
- *Building Activity, Australia* (cat. no. 8752.0) – issued quarterly
- *Private New Capital Expenditure and Expected Expenditure, Australia* (cat. no. 5625.0)
- *Sales of New Motor Vehicles, Australia* (cat. no. 9314.0).

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

27 Current publications and other products released by the ABS are available from the Statistics View. The ABS also issues a daily Release Advice on the ABS website <http://www.abs.gov.au> which details products to be released in the week ahead.

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	For owner occupation, comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings. For commercial finance construction of dwellings for rental or resale, comprises commitments made to corporations to finance the construction of dwellings to be occupied by persons other than the owner(s).
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 semidetached 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■ 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).
Motorcycles	Includes two and three wheeled motorcycles and mopeds, scooters and motorcycles 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.

GLOSSARY *continued*

Office machines	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.
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.
Real Property	Comprises both residential and non-residential land, buildings and fixed structures.
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 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■ 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.
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. 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.

INFORMATION AND REFERRAL SERVICE

Our consultants can help you access the full range of information published by the ABS that is available free of charge from our website. Information tailored to your needs can also be requested as a 'user pays' service. Specialists are on hand to help you with analytical or methodological advice.

PHONE 1300 135 070

EMAIL client.services@abs.gov.au

FAX 1300 135 211

POST Client Services, ABS, GPO Box 796, Sydney NSW 2001

FREE ACCESS TO STATISTICS

All statistics on the ABS website can be downloaded free of charge.

WEB ADDRESS www.abs.gov.au