

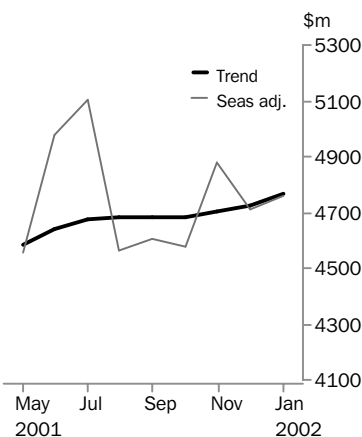


# LENDING FINANCE

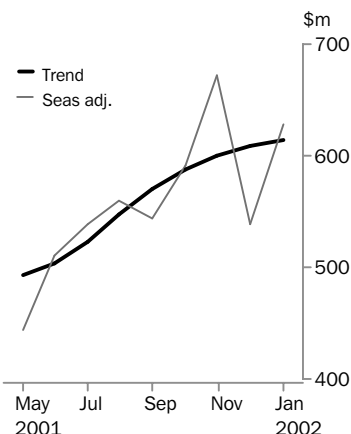
AUSTRALIA

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## Personal finance



## Lease finance



## JANUARY KEY FIGURES

TREND ESTIMATES	Dec 2001 \$m	Jan 2002 \$m	% change Dec 2001 to Jan 2002
Housing finance for owner occupation	8 185	8 249	0.8
Personal finance	4 726	4 766	0.8
Commercial finance	16 971	17 437	2.7
Lease finance	608	614	0.9

SEASONALLY ADJUSTED	Dec 2001 \$m	Jan 2002 \$m	% change Dec 2001 to Jan 2002
Housing finance for owner occupation	8 136	8 471	4.1
Personal finance	4 710	4 762	1.1
Commercial finance	17 579	17 269	-1.8
Lease finance	539	628	16.4

## JANUARY KEY POINTS

### HOUSING FINANCE FOR OWNER OCCUPATION

- The seasonally adjusted value of housing finance for owner occupation increased by 4.1% in January 2002, following a 2.7% rise in December.
- The trend series rose by 0.8%, to a series high of \$8 249 million in January 2002.

### PERSONAL FINANCE

- In January 2002, seasonally adjusted personal finance commitments increased by 1.1%, after a 3.5% fall in December. The fixed lending series increased by 3.2%, while revolving credit commitments fell by 0.6%.
- The personal finance trend rose by 0.8%, the fourth consecutive monthly increase. The fixed lending trend increased by 0.9%, with revolving credit commitments rising by 0.8%.

### COMMERCIAL FINANCE

- The volatile seasonally adjusted commercial finance series decreased by 1.8% in January 2002. The revolving credit series fell by 26.4%, while fixed lending commitments increased by 16.0% in January 2002.
- The trend estimate rose by 2.7% in January 2002, driven by a 4.2% rise in the trend for fixed lending commitments.

### LEASE FINANCE

- In January 2002, the seasonally adjusted lease finance series increased by 16.4%.
- The lease finance trend rose by 0.9% in January 2002.

▪ For further information about these and related statistics, contact Sue Creek on Sydney 02 9268 4784, or the National Information and Referral Service on 1300 135 070.

# NOTES

## FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
February 2002	15 April 2002
March 2002	14 May 2002
April 2002	12 June 2002
May 2002	15 July 2002
June 2002	9 August 2002
July 2002	11 September 2002

## CHANGES IN THIS ISSUE

Table 5 (Personal Finance Commitments) of this issue contains an adjustment to the level of the series "Total Available Credit Limits at End of Month". Normally the change in level in this series from month to month reflects the net effect of new and increased credit limits and cancellations and reductions. However, in January one or more lenders revised their total available credit limits. The revisions are not reflected in new and increased credit limits or cancellations and reductions for the latest month, resulting in a significant discrepancy between the change in the level of the series and the net of new and increased credit limits and cancellations and reductions for January 2002.

Barbara Dunlop  
Acting Australian Statistician

# LENDING FINANCE: Summary of findings

## HOUSING FINANCE FOR OWNER OCCUPATION

The seasonally adjusted series for the value of housing finance commitments increased by 4.1%, after a 2.7% rise in December. The trend series has grown at a consistent rate for the last five months, rising by 0.8% to \$8 249 million in January 2002.

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

## PERSONAL FINANCE

Personal finance commitments, in seasonally adjusted terms, increased by 1.1% in January 2002, after a 3.5% fall in December. The fixed lending series increased by 3.2% to \$2 170 million in January 2002, while revolving credit commitments recorded its second consecutive monthly fall, down 0.6% to \$2 592 million.

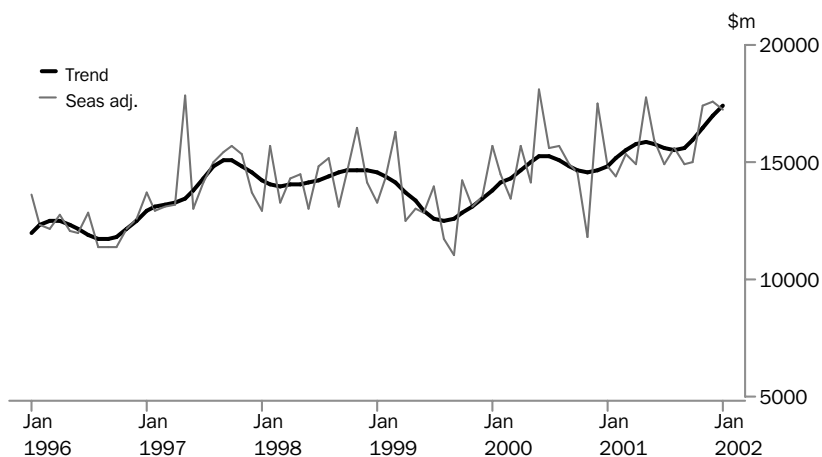
In January 2002, the personal finance trend increased by 0.8% (up \$40 million), with the fixed lending series rising by 0.9% to \$2 133 million, its thirteenth consecutive monthly rise. The trend estimate for revolving credit commitments increased by 0.8%.

The original series for fixed commitments increased by 9.0% (up \$171 million) in January 2002, with commitments for motor vehicles (up \$129 million) contributing most to the increase.

## COMMERCIAL FINANCE

The volatile seasonally adjusted commercial finance series decreased by 1.8% in January 2002, after a 0.7% increase in December. Changes in the two component series largely offset each other in January. Fixed lending commitments rose by \$1 634 million (16.0%) to a series high of \$11 845 million, while revolving credit commitments fell by \$1 944 million (26.4%) to \$5 424 million, its lowest level since November 2000.

The commercial finance trend series continued to rise, increasing by 2.7% to \$17 437 million in January 2002. Fixed lending commitments rose by 4.2% to \$10 888 million, following a similar rise in the previous month. Growth of the revolving credit trend slowed, with an increase of just 0.5% to \$6 549 million in January 2002.



## LEASE FINANCE

In January 2002, the seasonally adjusted lease finance series increased by 16.4% to \$628 million, following a 19.8% fall in December.

The lease finance trend experienced its eighth consecutive month of growth. However, over the last five months trend growth has been slowing, increasing by 0.9% to \$614 million in January 2002.

In original terms, lease commitments decreased by 12.7% to \$483 million in January 2002, with commitments for motor vehicles (down \$42 million) being the main contributor to the decrease.

## FINANCE COMMITMENTS, Summary

Month	SECURED HOUSING(a).....		PERSONAL.....			COMMERCIAL.....			LEASE.
	Construction and purchase of dwellings	Alterations and additions	Fixed loan facilities	Revolving credit facilities(b)	Total	Fixed loan facilities	Revolving credit facilities(b)	Total	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Original									
<b>2001</b>									
January	5 302	213	1 743	2 141	3 884	6 253	6 299	12 552	427
February	5 666	237	1 795	2 084	3 879	7 202	5 310	12 512	425
March	7 135	291	2 068	2 642	4 710	8 421	6 467	14 888	501
April	6 528	267	1 773	2 123	3 896	7 281	5 265	12 546	441
May	8 296	336	2 231	2 870	5 100	10 934	8 097	19 032	481
June	7 700	328	2 237	3 109	5 346	13 122	7 338	20 460	729
July	7 979	330	2 063	2 999	5 062	9 642	5 555	15 197	596
August	8 208	324	2 126	2 683	4 809	9 919	6 555	16 475	569
September	7 302	293	1 789	2 482	4 271	8 590	5 970	14 559	493
October	8 346	365	2 105	2 738	4 843	9 531	5 959	15 489	555
November	8 524	347	2 180	3 020	5 200	9 827	6 980	16 806	652
December	7 611	303	1 914	2 498	4 412	10 411	7 542	17 954	554
<b>2002</b>									
January	7 322	295	2 086	2 187	4 273	9 683	4 744	14 427	483
Seasonally Adjusted									
<b>2001</b>									
January	6 089	..	1 807	2 598	4 405	7 684	7 129	14 814	568
February	5 926	..	1 806	2 517	4 322	8 241	6 189	14 430	503
March	6 582	..	1 907	2 607	4 513	8 757	6 546	15 303	495
April	6 980	..	1 971	2 283	4 254	9 074	5 812	14 886	506
May	7 327	..	2 043	2 516	4 559	9 785	7 940	17 725	443
June	7 642	..	2 070	2 905	4 975	9 773	6 205	15 979	510
July	7 954	..	2 073	3 030	5 103	9 283	5 652	14 935	538
August	7 840	..	2 101	2 462	4 563	9 872	5 739	15 611	559
September	8 080	..	1 968	2 640	4 608	8 886	6 066	14 952	543
October	8 061	..	2 083	2 496	4 579	9 042	5 974	15 017	592
November	7 923	..	2 115	2 767	4 882	10 373	7 081	17 455	672
December	8 136	..	2 102	2 608	4 710	10 211	7 368	17 579	539
<b>2002</b>									
January	8 471	..	2 170	2 592	4 762	11 845	5 424	17 269	628
Trend									
<b>2001</b>									
January	6 032	..	1 844	2 505	4 348	7 850	7 000	14 851	515
February	6 285	..	1 869	2 526	4 395	8 244	6 946	15 191	510
March	6 594	..	1 912	2 540	4 452	8 708	6 820	15 528	502
April	6 932	..	1 963	2 554	4 517	9 146	6 618	15 764	495
May	7 278	..	2 011	2 571	4 583	9 432	6 389	15 821	493
June	7 587	..	2 046	2 594	4 640	9 535	6 198	15 733	503
July	7 809	..	2 062	2 612	4 674	9 485	6 132	15 617	523
August	7 929	..	2 064	2 618	4 682	9 415	6 093	15 507	548
September	7 991	..	2 066	2 614	4 679	9 461	6 149	15 610	570
October	8 048	..	2 075	2 606	4 682	9 678	6 280	15 958	588
November	8 114	..	2 093	2 609	4 701	10 034	6 420	16 454	600
December	8 185	..	2 113	2 613	4 726	10 452	6 519	16 971	608
<b>2002</b>									
January	8 249	..	2 133	2 633	4 766	10 888	6 549	17 437	614

(a) For owner occupation.

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

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

Month	HOUSING FINANCE(a).....					PERSONAL FINANCE.....				
	All banks	Permanent building societies	Wholesale lenders n.e.c.	Other lenders	Total	All banks	Credit co-operatives	Finance companies	Other lenders	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>										
November	4 917	222	812	197	6 149	3 684	278	593	190	4 745
December	4 651	178	771	203	5 802	3 233	257	558	202	4 251
<b>2001</b>										
January	4 298	169	647	189	5 302	2 910	246	529	199	3 884
February	4 554	221	681	210	5 666	2 891	246	525	217	3 879
March	5 661	262	946	265	7 135	3 517	283	602	308	4 710
April	5 159	250	896	223	6 528	2 912	233	497	255	3 896
May	6 596	341	1 104	255	8 296	3 975	273	581	272	5 100
June	6 074	328	1 008	290	7 700	4 111	280	699	256	5 346
July	6 295	299	1 064	321	7 979	3 869	279	690	224	5 062
August	6 404	328	1 169	306	8 208	3 604	295	644	266	4 809
September	5 687	275	1 040	300	7 302	3 244	243	566	218	4 271
October	6 444	296	1 246	360	8 346	3 630	265	714	234	4 843
November	6 608	319	1 207	390	8 524	3 878	283	648	391	5 200
December	5 949	270	1 021	370	7 611	3 239	272	586	315	4 412
<b>2002</b>										
January	5 783	220	972	347	7 322	3 141	233	650	250	4 273

(a) Excludes alterations and additions.

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

Month	COMMERCIAL FINANCE.....					LEASE FINANCE.....				
	All banks	Money market corporations	Finance companies	Other lenders	Total	All banks	General financiers	Finance companies	Other lessors(a)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>										
November	10 780	554	460	828	12 621	160	121	132	64	477
December	14 376	1 684	649	1 396	18 105	376	242	127	67	812
<b>2001</b>										
January	11 019	493	276	764	12 552	125	139	106	57	427
February	10 396	1 104	333	678	12 512	143	118	109	55	425
March	12 629	710	458	1 092	14 888	163	145	118	75	501
April	10 239	968	342	997	12 546	133	124	114	70	441
May	15 818	1 529	442	1 242	19 032	158	120	124	79	481
June	17 690	692	773	1 305	20 460	221	153	245	110	729
July	12 330	975	584	1 308	15 197	167	168	163	98	596
August	14 012	549	649	1 265	16 475	188	140	135	106	569
September	11 911	879	549	1 219	14 559	130	136	123	103	493
October	12 695	769	703	1 323	15 489	150	130	162	114	555
November	13 186	1 297	829	1 494	16 806	203	160	176	113	652
December	14 826	1 341	615	1 172	17 954	168	132	136	118	554
<b>2002</b>										
January	12 523	462	470	972	14 427	113	155	125	91	483

(a) Includes money market corporations.

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## PERSONAL FINANCE COMMITMENTS, Fixed Loan Facilities: Original

Month	New motor cars and station wagons	Used motor cars and station wagons	Total motor vehicles(a)	Individual residential blocks of land	Unsecured owner occupied housing finance(b)	Debt consolidation	Refinancing	Other(c)	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>									
November	350	476	889	112	39	140	258	454	1 891
December	342	427	833	101	37	125	237	441	1 773
<b>2001</b>									
January	326	472	850	88	33	121	223	428	1 743
February	301	442	808	105	36	150	252	443	1 795
March	361	487	916	130	38	170	294	520	2 068
April	307	414	773	123	36	149	243	449	1 773
May	355	496	918	170	43	199	342	559	2 231
June	351	438	868	172	38	194	347	618	2 237
July	343	439	851	162	35	188	301	526	2 063
August	328	458	874	191	38	176	296	551	2 126
September	279	389	742	151	35	143	240	479	1 789
October	323	461	872	168	38	171	298	559	2 105
November	332	459	884	172	44	180	313	587	2 180
December	297	391	767	159	36	156	258	539	1 914
<b>2002</b>									
January	350	472	896	141	36	169	303	541	2 086

(a) Includes motor cycles and other motor vehicles.

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

(b) Includes alterations and additions.

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## PERSONAL FINANCE COMMITMENTS, Revolving Credit Facilities: Original

Month	NEW AND INCREASED CREDIT LIMITS...			CANCELLATIONS AND REDUCTIONS...	CREDIT LIMITS AT END OF MONTH.....	
	Secured	Unsecured	Total	Total	Total available	Used
	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>						
November	1 007	1 846	2 853	775	103 764	49 975
December	971	1 507	2 477	783	105 988	50 635
<b>2001</b>						
January	884	1 258	2 141	978	107 115	51 298
February	928	1 156	2 084	830	108 742	52 111
March	1 075	1 567	2 642	901	110 461	52 462
April	890	1 234	2 123	967	111 552	53 025
May	1 295	1 575	2 870	999	113 407	53 929
June	1 399	1 710	3 109	1 047	115 274	55 582
July	1 097	1 902	2 999	1 290	116 515	56 886
August	1 208	1 474	2 683	1 060	117 763	57 492
September	1 139	1 344	2 482	834	119 407	57 659
October	1 166	1 572	2 738	1 443	120 645	57 680
November	1 097	1 923	3 020	1 211	122 436	58 265
December	994	1 505	2 498	1 115	123 760	58 761
<b>2002</b>						
January	918	1 269	2 187	1 260	122 689	58 882

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## COMMERCIAL FINANCE COMMITMENTS, Fixed Loan Facilities: Original

Month	Construction finance \$m	Purchase of real property \$m	Wholesale finance \$m	Purchase of property plant & equipment \$m	Refinancing \$m	Other \$m	Total \$m	Commitments not drawn at end of month \$m
<b>2000</b>								
November	700	2 725	469	798	622	2 215	7 529	11 110
December	698	2 611	352	742	570	2 760	7 734	11 598
<b>2001</b>								
January	446	2 443	354	639	619	1 752	6 253	11 988
February	399	2 662	254	670	1 221	1 995	7 202	11 424
March	751	3 110	374	842	686	2 658	8 421	11 245
April	816	2 832	307	708	538	2 081	7 281	11 236
May	666	3 978	378	845	1 345	3 723	10 934	13 408
June	867	4 867	403	1 179	1 448	4 358	13 122	13 137
July	604	4 194	417	900	623	2 904	9 642	13 347
August	547	4 226	387	951	870	2 938	9 919	12 315
September	747	3 498	332	946	1 112	1 958	8 590	12 165
October	756	4 380	n.p.	1 157	797	n.p.	9 531	11 980
November	730	4 168	n.p.	1 255	841	n.p.	9 827	10 992
December	865	3 711	344	1 345	693	3 454	10 411	11 157
<b>2002</b>								
January	662	3 712	368	842	712	3 387	9 683	13 287

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## REVOLVING COMMERCIAL FINANCE AND LEASE FINANCE COMMITMENTS: Original

Month	REVOLVING CREDIT FACILITIES.....				LEASE FINANCE FACILITIES...		
	New and increased credit limits \$m	Cancellations and reductions \$m	Total credit limits at end of month \$m	Credit limits used at end of month \$m	Total commitments \$m	Commitments not drawn at end of month \$m	
<b>2000</b>							
November	5 092	5 217	205 028	115 525	477	397	
December	10 372	7 507	210 488	117 758	812	402	
<b>2001</b>							
January	6 299	6 142	210 860	116 686	427	393	
February	5 310	5 335	210 886	119 291	425	419	
March	6 467	6 072	212 043	120 333	501	427	
April	5 265	5 624	211 331	120 344	441	416	
May	8 097	8 527	211 576	120 732	481	391	
June	7 338	6 385	214 419	120 214	729	434	
July	5 555	10 201	210 007	118 610	596	413	
August	6 555	6 592	209 320	117 290	569	420	
September	5 970	8 313	206 748	120 323	493	410	
October	5 959	6 632	205 169	119 001	555	381	
November	6 980	6 769	204 991	118 006	652	344	
December	7 542	7 230	205 776	115 062	554	350	
<b>2002</b>							
January	4 744	7 450	202 994	111 608	483	305	

## FINANCE COMMITMENTS FOR HOUSING: Original

Month	SECURED, FOR OWNER OCCUPATION.....					UNSECURED, PERSONAL FINANCE...		COMMERCIAL FINANCE.....		ALL FINANCE..	
	Construction of dwellings	Purchase of newly erected dwellings	Purchase of established dwellings under new finance	Refinancing for established dwellings(a)	Alterations and additions	Purchase and construction of dwellings	Alterations and additions	Construction of dwellings for rent or resale	Purchase of dwellings for rent or resale by individuals	Purchase of dwellings for rent or resale by others	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>											
November	554	201	4 110	1 284	257	12	27	400	1 845	234	8 924
December	510	208	3 903	1 181	246	12	25	269	1 831	253	8 438
<b>2001</b>											
January	457	224	3 571	1 051	213	10	23	261	1 668	176	7 654
February	516	206	3 802	1 142	237	12	24	234	1 914	175	8 262
March	677	268	4 727	1 462	291	14	24	436	2 301	207	10 408
April	637	235	4 320	1 336	267	13	24	412	2 156	217	9 615
May	906	303	5 358	1 728	336	17	27	345	3 003	288	12 312
June	924	315	4 914	1 547	328	14	24	415	3 377	359	12 218
July	1 017	335	5 148	1 479	330	14	21	298	3 192	267	12 101
August	1 040	340	5 303	1 525	324	16	22	267	3 190	319	12 346
September	910	311	4 824	1 257	293	15	20	304	2 709	245	10 888
October	1 044	338	5 514	1 450	365	14	25	427	3 039	262	12 478
November	1 040	329	5 683	1 472	347	16	28	387	3 074	311	12 687
December	1 008	294	4 948	1 361	303	13	23	312	2 671	318	11 250
<b>2002</b>											
January	985	246	4 815	1 275	295	14	22	415	2 736	312	11 116

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



## FINANCE COMMITMENTS FOR MOTOR VEHICLES(a): Original

Month	PERSONAL FINANCE.....					COMMERCIAL FINANCE.....	LEASE FINANCE.....	ALL FINANCE.
	<i>New motor cars and station wagons</i>	<i>Used motor cars and station wagons</i>	<i>Motor cycles</i>	<i>Other motor vehicles</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>	<i>Total</i>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>2000</b>								
November	350	476	17	47	889	425	185	1 498
December	342	427	15	49	833	446	318	1 597
<b>2001</b>								
January	326	472	13	39	850	377	174	1 400
February	301	442	13	52	808	402	172	1 381
March	361	487	15	53	916	446	208	1 570
April	307	414	13	39	773	464	192	1 430
May	355	496	16	51	918	477	199	1 594
June	351	438	15	63	868	711	292	1 870
July	343	439	15	54	851	566	238	1 655
August	328	458	19	68	874	610	249	1 732
September	279	389	16	59	742	557	199	1 498
October	323	461	41	47	872	646	227	1 745
November	332	459	21	73	884	743	238	1 866
December	297	391	17	62	767	677	217	1 660
<b>2002</b>								
January	350	472	17	57	896	562	174	1 632

(a) Excludes revolving credit facilities.

## LEASE FINANCE COMMITMENTS FOR MOTOR VEHICLES: Original

Month	MOTOR CARS & 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
<b>2000</b>								
November	108	36	11	3	11	9	6	185
December	116	35	13	3	21	12	117	318
<b>2001</b>								
January	104	35	10	2	11	4	7	174
February	92	41	14	3	7	6	10	172
March	110	57	12	3	9	7	11	208
April	98	38	14	2	16	7	17	192
May	103	51	12	3	7	12	12	199
June	139	58	25	6	28	9	26	292
July	124	57	16	4	17	4	16	238
August	125	74	17	4	13	2	14	249
September	110	52	13	3	9	3	9	199
October	130	38	19	2	18	6	14	227
November	142	44	17	3	16	5	11	238
December	124	42	18	2	14	5	11	217
<b>2002</b>								
January	108	35	10	2	10	4	5	174

## FINANCE COMMITMENTS FOR PLANT AND EQUIPMENT: Original

Month	COMMERCIAL FINANCE(a).....			LEASE FINANCE	ALL 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
<b>2000</b>					
November	57	316	373	293	666
December	47	249	296	494	790
<b>2001</b>					
January	41	221	262	253	515
February	46	222	268	253	522
March	39	357	396	294	690
April	47	196	243	248	492
May	47	322	369	281	650
June	70	398	468	437	905
July	47	287	334	358	692
August	64	278	342	320	662
September	73	317	389	294	683
October	89	422	511	328	839
November	146	365	511	414	925
December	84	584	668	337	1 005
<b>2002</b>					
January	45	234	280	309	588

(a) Excludes revolving credit facilities.

(b) Excludes motor vehicles, see table 9.

## LEASE FINANCE COMMITMENTS FOR PLANT AND EQUIPMENT: Original

Month	Transport equipment(a)	Construction and earthmoving equipment	Agricultural machinery and equipment	Manufacturing equipment	Electronic data processing equipment	Office machines	Shop and office furniture, fittings and equipment	Other goods	Total
<b>2000</b>									
November	7	26	17	18	100	57	25	42	293
December	10	14	11	24	249	55	71	61	494
<b>2001</b>									
January	4	18	18	11	119	36	19	29	253
February	9	21	15	31	88	46	17	27	253
March	6	21	17	36	101	55	23	36	294
April	5	11	18	15	80	59	25	34	248
May	6	16	19	33	77	59	26	45	281
June	16	30	42	43	129	58	36	83	437
July	7	19	15	34	158	46	31	49	358
August	5	15	10	27	134	54	21	54	320
September	7	12	12	19	116	61	25	42	294
October	7	23	17	34	130	52	21	44	328
November	4	22	15	29	145	56	96	47	414
December	8	18	13	19	146	48	34	51	337
<b>2002</b>									
January	2	16	12	12	157	50	25	36	309

(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.

**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, although excluded from these lending finance statistics, are available from the ABS for a charge.

### 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
- Securitised mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
- Other corporations registered under the *Financial Corporations Act 1974*.

### 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.

## EXPLANATORY NOTES

### COVERAGE *continued*

**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 \$50 million for housing finance in 2000;
- personal finance cover all commitments by banks, and commitments by all other lenders which provided more than \$96 million for personal finance in 2000;
- commercial finance cover all commitments by banks, and commitments by all other lenders which provided more than \$472 million for commercial finance in 2000;
- lease finance cover all commitments by banks, and commitments by all other lenders which provided funds of more than \$37 million for lease finance in 2000.

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

### REVISIONS

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

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

### SEASONAL ADJUSTMENT

**12** 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 numbers 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.

### TREND ESTIMATES

**13** 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](mailto:timeseries@abs.gov.au).

**14** While the smoothing technique described in paragraph 13 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

**15** Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

## EXPLANATORY NOTES

ABS DATA AVAILABLE ON REQUEST	<p><b>16</b> Estimates for months prior to those shown in this publication and more detailed series are available. There will be a charge for the provision of such data.</p> <p><b>17</b> Detailed data are also available from AusStats, a subscriber service of on-line time series in spreadsheet format. To subscribe, or for more information, contact the ABS National Information and Referral Service on 1300 135 070.</p>
RELATED PUBLICATIONS	<p><b>18</b> Users may also wish to refer to the following ABS releases:</p> <ul style="list-style-type: none"><li>▪ <i>Finance, Australia</i> (Cat. no. 5611.0)</li><li>▪ <i>Housing Finance for Owner Occupation, Australia</i> (Cat. no. 5609.0)</li><li>▪ <i>Assets and Liabilities of Australian Securitised</i> (Cat. no. 5232.0.0.40.001)</li><li>▪ <i>Annual Statistics for Financial Institutions</i> (Cat. no. 5661.0.40.001)</li><li>▪ <i>Building Approvals, Australia</i> (Cat. no. 8731.0)</li><li>▪ <i>Building Activity, Australia: Dwelling Unit Commencements</i> (Cat. no. 8750.0)</li><li>▪ <i>Private New Capital Expenditure and Expected Expenditure, Australia</i> (Cat. no. 5625.0)</li><li>▪ <i>New Motor Vehicle Registrations, Australia: Preliminary</i> (Cat. no. 9301.0)</li></ul> <p><b>19</b> In addition, the Reserve Bank of Australia produces the monthly <i>Reserve Bank of Australia Bulletin</i> and the Australian Prudential Regulation Authority (APRA) publishes a range of finance statistics on its web site &lt;<a href="http://www.apra.gov.au">www.apra.gov.au</a>&gt;</p>
SYMBOLS AND OTHER USAGES	<p>m million</p> <p>n.a. not available</p> <p>n.e.c. not elsewhere classified</p> <p>n.p. not available for publication but included in totals where applicable</p> <p>n.y.a. not yet available</p> <p>.. not applicable</p>

## G L O S S A R Y

<b>Agricultural machinery and equipment</b>	Includes tractors, tillage implements, seeding, planting and fertilising equipment, agricultural mowers, harvesters, etc.
<b>Alterations and additions</b>	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.
<b>Commitment</b>	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.
<b>Construction and earth moving equipment</b>	Includes concrete mixers and pumpers, dozers, graders, mobile cranes, crawler tractors, dumpers, road rollers, earth packers, scarifiers, rippers, etc.
<b>Construction of dwellings</b>	Comprises commitments made to individuals to finance, by way of progress payments, the construction of owner occupied dwellings.
<b>Debt consolidation</b>	For personal finance, comprises commitments whose principle purpose is to consolidate and pay out amounts owing by the borrower to third parties.
<b>Dwelling</b>	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.
<b>Electronic data processing equipment</b>	Includes computers, computer peripherals, data entry devices, word processing machines, etc.
<b>Established dwelling</b>	A dwelling that has been completed for 12 months or more prior to the lodgement of a loan application, or has been previously occupied.
<b>Finance lease</b>	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.
<b>Fixed loan facilities</b>	Generally involve: <ul style="list-style-type: none"><li>▪ a commitment for a fixed amount for a fixed period for a specific purpose;</li><li>▪ a schedule of repayments over a fixed period; and</li><li>▪ repayments which reduce the liability of the borrower but do not act to make further finance available.</li></ul>
<b>Heavy trucks</b>	Comprises all vehicles with a gross combination mass rating in excess of 3.5 tonnes, including prime movers registered without trailers.
<b>Light trucks</b>	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.
<b>Manufacturing equipment</b>	Includes all plant and equipment used in the manufacture of goods except motor vehicles such as forklifts, work trucks and tractors.
<b>Motor cars and station wagons</b>	Includes cars, station wagons, four-wheel drive and forward control passenger vehicles with up to nine seats (including the driver).

## GLOSSARY

<b>Motor cycles</b>	Includes two and three wheeled motor cycles and mopeds, scooters and motor cycles with side cars.
<b>Newly erected dwelling</b>	A dwelling that has been completed within 12 months of the lodgement of a loan application, and the borrower will be the first occupant.
<b>Office machines</b>	Includes telephone systems (including PABX equipment), facsimile machines, cash registers, photocopiers, etc.
<b>Purpose</b>	The purpose of the loan is that specified by the borrower. Where possible multiple purpose loans are split and each component is reported in the appropriate purpose category. Otherwise the whole loan is classified to the major purpose.
<b>Refinancing</b>	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.
<b>Revolving credit facilities</b>	Generally have the following characteristics: <ul style="list-style-type: none"><li>▪ a commitment for a credit or borrowing limit is given for a specific period after which the commitment is reviewed;</li><li>▪ the extent of the borrowing used at any time during the period may be for any amount up to the authorised limit; and</li><li>▪ 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.</li></ul>
<b>Secured credit limits</b>	Includes overdrafts, lines of credit, credit cards, etc. backed by a mortgage or other assets owned by the borrower.
<b>Secured housing finance</b>	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.
<b>Total credit limits at end of period</b>	Comprises total approved credit limits available at the end of the reference month. In principle, this can be derived by adding new and increased lending commitments during the period less cancellations and reductions of credit limits during the period to the balance of credit limits at the end of the previous period. In practice, however, revisions and other adjustments such as the transfer of an existing fixed credit facility will mean that such a derivation is inexact.
<b>Wholesale finance</b>	Comprises finance for the purchase of goods by retailers and wholesalers.

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