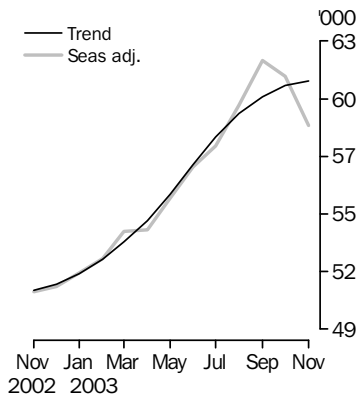


HOUSING FINANCE FOR OWNER OCCUPATION

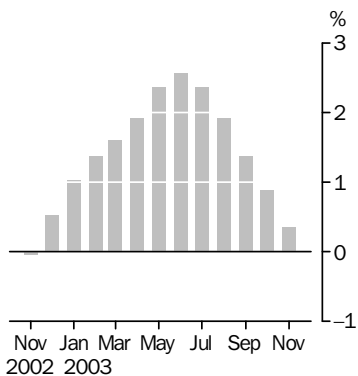
AUSTRALIA

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Housing finance
Number of dwellings



Number of dwellings
Trend estimates
% change



KEY FIGURES

	Nov 2003	Oct 2003 to Nov 2003
	no.	% change
TREND ESTIMATES		
Total number of dwelling commitments	61 060	0.4
Construction of dwellings	5 573	-0.3
Purchase of new dwellings	1 711	0.6
Purchase of established dwellings(a)	53 776	0.4
SEASONALLY ADJUSTED ESTIMATES		
Total number of dwelling commitments	58 894	-3.9
Construction of dwellings	5 420	-5.1
Purchase of new dwellings	1 702	-0.5
Purchase of established dwellings(a)	51 772	-3.9

(a) Includes refinancing.

KEY POINTS

TREND ESTIMATES

- Growth in the trend series for the number of housing finance commitments eased further to a 0.4% increase in November 2003, while the trend series excluding refinancing of existing loans fell by 0.8%. The trend series for the value of commitments increased by 0.8%.
- The construction finance trend series recorded a decrease of 0.3% in November 2003, while the trend for the purchase of new dwellings increased by 0.6%. The trend in finance commitments for the purchase of established dwellings eased further to an increase of 0.4% in November 2003, while the refinancing trend increased by 2.8%.

SEASONALLY ADJUSTED ESTIMATES

- The seasonally adjusted total housing finance series decreased by 3.9% in November 2003, driven by decreases in commitments for the purchase of established dwellings excluding refinancing (down 6.2%), commitments for the construction of dwellings (down 5.1%) and commitments for the purchase of new dwellings (down 0.5%). Although the growth in refinancing commitments slowed to an increase of 0.4% in November 2003, a record 32.7% of all finance approvals were for refinancing an existing loan. All lender types showed decreases in total housing commitments.
- Value of commitments fell by 3.4% in November 2003.

ORIGINAL ESTIMATES

- A record low 13.1% of all loans were to first home buyers.
- The percentage of fixed rate commitments (for two years or more) increased for the fifth successive month, rising to 15.2%.

INQUIRIES

- For further information about these and related statistics, contact the National Information and Referral Service on 1300 135 070 or Darren Page on Canberra 02 6252 6731.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
December 2003	13 February 2004
January 2004	12 March 2004
February 2004	13 April 2004
March 2004	12 May 2004
April 2004	9 June 2004
May 2004	9 July 2004



CHANGES IN THIS ISSUE

The series for total housing commitments (number and value) have been revised upwards from July 2003 to October 2003, due to revised data supplied by some lenders. Estimates for the bank series for established dwellings and refinancing are the most affected.

INVESTMENT HOUSING

The value of commitments for the construction or purchase of dwellings for rent or resale is published in the monthly Lending Finance, Australia (cat. no. 5671.0).



ABBREVIATIONS

ABS Australian Bureau of Statistics
APRA Australian Prudential Regulation Authority
n.e.c. not elsewhere classified

Dennis Trewin
Australian Statistician

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ADDITIONAL TABLES ON AUSSTATS

TABLES AVAILABLE ON AUSSTATS

Additional tables are available from the AusStats service on <www.abs.gov.au> by selecting *Time Series Spreadsheets* and then *Finance*.

Tables available are:

- longer time series of tables in this publication
- the following tables
 - 9b Housing finance commitments, By Type of Buyer and Loan: State, Original
 - 11a Housing finance commitments, By Purpose and Lender: Australia, Original (Number)
 - 11b Housing finance commitments, By Purpose and Lender: Australia, Original (\$'000)
 - 11c Housing finance commitments, By Purpose and Lender: Australia, Original (Average Loan Size - \$'000)
 - 12 Housing Finance Seasonal Factors, By Purpose and Lender: Australia, October 1975 to November 2004
 - 13 Housing Finance Seasonal Factors, By State, October 1975 to November 2004

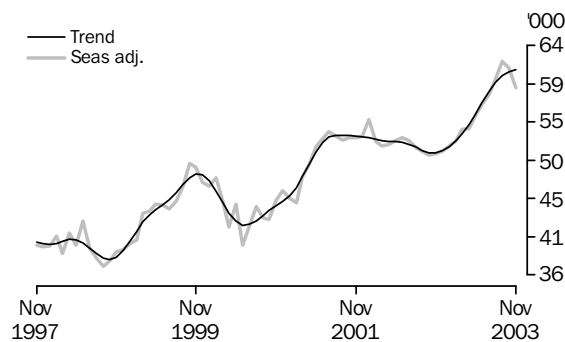
HOUSING FINANCE SUMMARY OF FINDINGS

DWELLINGS FINANCED

Number financed including refinancing

Total housing commitments (seasonally adjusted) decreased for the second consecutive month, decreasing by 3.9% in November 2003 after a fall of 1.3% in October 2003. The decrease was mainly due to the fall in the purchase of established dwellings excluding refinancing (down 2159, -6.2%). There were also falls in construction of dwellings (down 293, -5.1%) and purchases of new dwellings (down 9, -0.5%). Refinancing commitments increased slightly (up 76, 0.4%). The total housing commitments trend increased slightly in November (up 220, 0.4%).

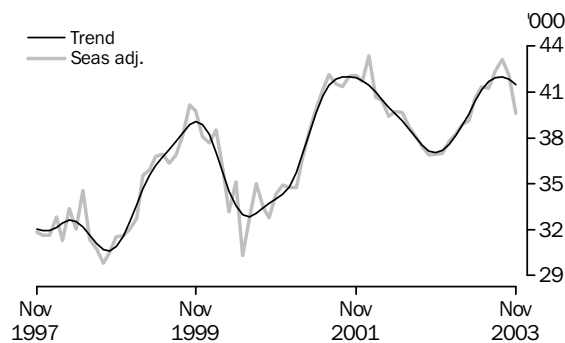
There were decreases (seasonally adjusted) in NSW (down 640, -3.2%), Queensland (down 394, -3.1%), Victoria (down 370, -2.8%), SA (down 229, -4.4%), Tasmania (down 173, -12.9%), ACT (down 65, -7.7%), and WA (down 32, -0.4%). The only increase was for NT (up 6, 1.5%). The trend series increased in November 2003 for most states and territories, with Tasmania and the ACT being the exceptions with small decreases.



In original terms, the percentage of first home buyers continued its pattern of general decline since a record high of 25.8% in July 2001, declining marginally to a record low of 13.1% in November 2003. The percentage of commitments at a fixed rate of interest (for at least two years) increased from 12.7% in October 2003 to 15.2% in November 2003, the fifth successive monthly increase.

Number financed excluding refinancing

The number of dwellings financed excluding refinancing (seasonally adjusted) decreased in November 2003 (down 2461, -5.8%), after a 2.4% fall in October. The trend series decreased by 0.8% in November.



Value of commitments

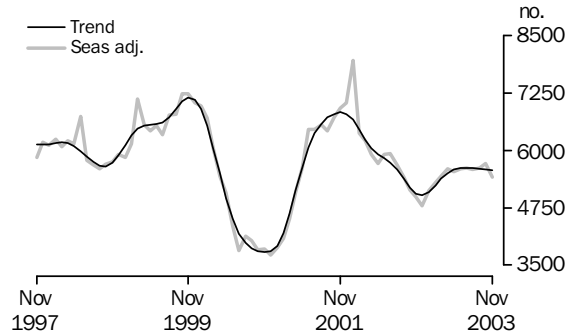
The total value of commitments (seasonally adjusted) decreased by 3.4% in November 2003, after a decrease of 0.5% in October. The trend series eased to an increase of 0.8% in November.

HOUSING FINANCE SUMMARY OF FINDINGS *continued*

PURPOSE OF FINANCE

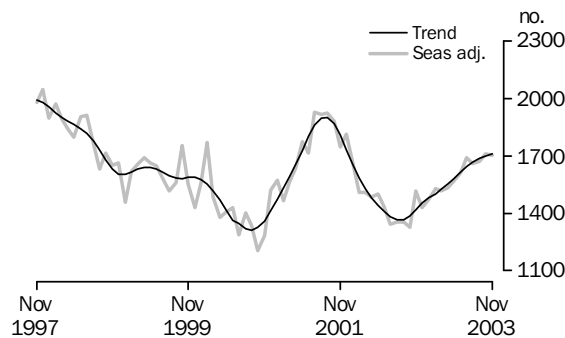
Construction of dwellings

Construction commitments (seasonally adjusted) fell by 5.1% in November 2003, following increases in eight of the previous ten months. The trend series decreased by 0.3% in November.



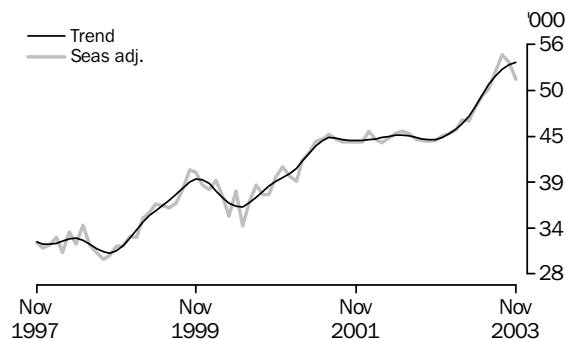
Purchase of new dwellings

The number of finance commitments for the purchase of new dwellings (seasonally adjusted) fell by 0.5% in November 2003, after an increase of 2.3% in October. The trend series rose 0.6% in November.



Purchase of established dwellings

The seasonally adjusted established dwelling finance series decreased by 3.9% (down 2083) in November 2003, the second consecutive month of decreasing commitments after five months of strong growth. The trend series growth slowed to 0.4% in November, continuing a run of increases since November 2002.

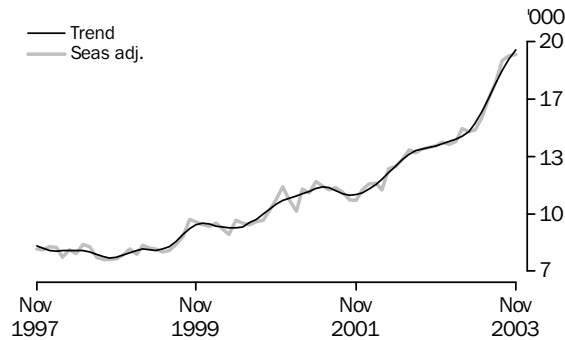


HOUSING FINANCE SUMMARY OF FINDINGS *continued*

Refinancing

The number of refinancing commitments (seasonally adjusted) increased by 0.4% in November 2003, following larger increases over the previous six months. As a result, trend growth eased to 2.8%.

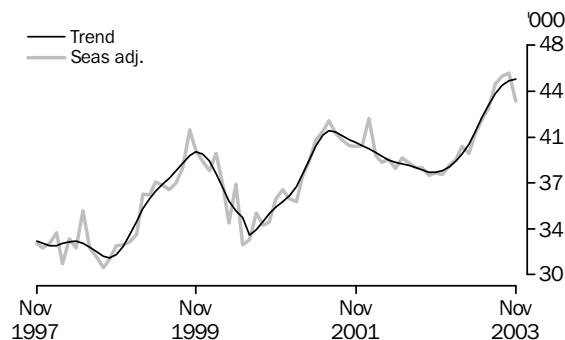
In November, a record 32.7% of all loans (seasonally adjusted) were for the refinancing of existing dwellings.



TYPE OF LENDER

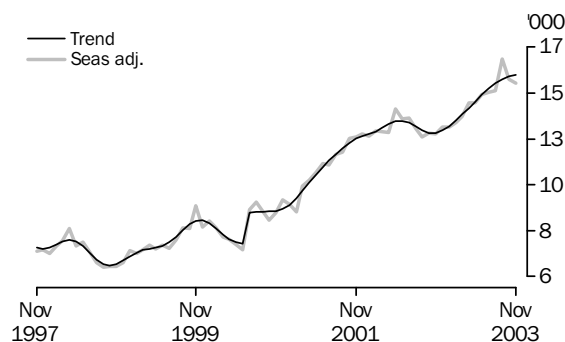
Banks

Bank finance (seasonally adjusted) decreased significantly (down 2177, -4.8%) in November after growth in nine of the previous ten months. Growth in the trend series eased to 0.3%.



Non-banks

Non-bank lending commitments decreased for the second consecutive month, following increases in the ten months up until September 2003. The decrease in the seasonally adjusted series for non-banks (down 208, -1.3%) was due to decreases recorded for permanent building societies (down 88, -3.8%), and wholesale lenders (down 59, -0.6%). The non-bank trend series eased to a growth of 0.6%.



HOUSING FINANCE COMMITMENTS (a), By Purpose: Australia

Month	Construction of dwellings		Purchase of new dwellings		Purchase of established dwellings (b)		Total		Refinancing of established dwellings		Total excluding refinancing of established dwellings	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL												
2002												
November	5 030	856	1 574	300	45 178	7 514	51 782	8 670	13 901	2 031	37 881	6 639
December	4 794	809	1 385	270	43 494	7 408	49 673	8 486	13 326	2 004	36 347	6 482
2003												
January	4 208	710	1 314	255	39 482	6 620	45 004	7 585	11 562	1 679	33 442	5 906
February	4 706	822	1 411	267	43 055	7 192	49 172	8 281	13 455	2 019	35 717	6 261
March	5 282	913	1 551	308	48 239	8 238	55 072	9 459	15 408	2 362	39 664	7 097
April	5 242	921	1 444	297	45 904	8 078	52 590	9 296	14 476	2 228	38 114	7 069
May	5 904	1 068	1 675	363	51 811	9 161	59 390	10 592	16 233	2 492	43 157	8 100
June	5 621	1 030	1 636	337	49 798	8 862	57 055	10 229	16 451	2 559	40 604	7 671
July	6 620	1 213	1 843	392	54 178	9 803	62 641	11 408	17 997	2 884	44 644	8 524
August	5 712	1 037	1 637	345	51 924	9 590	59 273	10 972	17 158	2 793	42 115	8 179
September	5 830	1 082	1 713	368	53 730	10 057	61 273	11 508	18 532	3 065	42 741	8 443
October	6 056	1 117	1 756	371	56 235	10 425	64 047	11 912	19 656	3 168	44 391	8 744
November	5 232	999	1 687	365	51 244	9 520	58 163	10 884	18 586	2 908	39 577	7 976
SEASONALLY ADJUSTED												
2002												
November	4 996	850	1 518	283	44 288	7 365	50 802	8 498	13 854	2 052	36 948	6 446
December	4 786	793	1 432	275	44 853	7 499	51 071	8 567	14 089	2 098	36 982	6 469
2003												
January	5 114	869	1 473	288	45 155	7 552	51 742	8 708	13 967	2 068	37 775	6 640
February	5 305	916	1 528	291	45 588	7 719	52 421	8 926	14 138	2 126	38 283	6 800
March	5 443	924	1 518	307	46 781	7 911	53 742	9 142	14 883	2 259	38 859	6 883
April	5 597	978	1 533	313	46 708	8 176	53 838	9 468	14 725	2 234	39 113	7 234
May	5 544	1 002	1 567	339	48 257	8 475	55 368	9 816	14 792	2 277	40 576	7 538
June	5 602	1 029	1 612	336	49 646	8 845	56 860	10 210	15 508	2 408	41 352	7 802
July	5 623	1 034	1 693	360	50 584	9 316	57 900	10 711	16 652	2 682	41 248	8 029
August	5 583	1 027	1 658	345	52 670	9 790	59 911	11 162	17 546	2 840	42 365	8 322
September	5 624	1 064	1 673	360	54 759	10 134	62 056	11 558	18 911	3 092	43 145	8 466
October	5 713	1 064	1 711	364	53 855	10 072	61 279	11 500	19 190	3 110	42 089	8 390
November	5 420	1 029	1 702	367	51 772	9 711	58 894	11 107	19 266	3 077	39 628	8 030
TREND												
2002												
November	5 060	842	1 420	268	44 426	7 388	50 906	8 498	13 875	2 055	37 031	6 443
December	5 024	844	1 454	277	44 694	7 469	51 172	8 590	13 984	2 081	37 188	6 510
2003												
January	5 094	863	1 481	286	45 123	7 577	51 698	8 726	14 111	2 106	37 587	6 620
February	5 231	896	1 503	296	45 677	7 722	52 411	8 914	14 254	2 136	38 157	6 778
March	5 382	933	1 526	307	46 350	7 923	53 258	9 164	14 432	2 178	38 826	6 986
April	5 503	969	1 551	319	47 229	8 196	54 283	9 483	14 718	2 245	39 565	7 238
May	5 581	999	1 582	330	48 409	8 548	55 572	9 877	15 185	2 351	40 387	7 526
June	5 613	1 020	1 616	340	49 768	8 938	56 997	10 298	15 855	2 493	41 142	7 805
July	5 617	1 033	1 644	348	51 088	9 309	58 349	10 690	16 667	2 657	41 682	8 033
August	5 615	1 042	1 668	354	52 193	9 618	59 476	11 015	17 519	2 819	41 957	8 196
September	5 605	1 048	1 687	359	53 010	9 854	60 302	11 261	18 318	2 964	41 984	8 297
October	5 590	1 051	1 701	363	53 549	10 018	60 840	11 432	19 005	3 083	41 835	8 349
November	5 573	1 052	1 711	366	53 776	10 110	61 060	11 528	19 545	3 172	41 515	8 356

(a) Excludes alterations and additions

(b) Includes refinancing

HOUSING FINANCE COMMITMENTS (a), By Purpose: Australia (Percentage Change)

Month	Construction of dwellings.....		Purchase of new dwellings.....		Purchase of established dwellings(b).....		Total.....		Refinancing of established dwellings.....		Total excluding refinancing of established dwellings.....	
	no.	value	no.	value	no.	value	no.	value	no.	value	no.	value
ORIGINAL (% CHANGE FROM PREVIOUS MONTH)												
2002												
November	-9.1	-5.5	15.9	20.7	-2.7	-1.5	-2.9	-1.3	-3.0	-2.6	-2.8	-0.9
December	-4.7	-5.5	-12.0	-10.1	-3.7	-1.4	-4.1	-2.1	-4.1	-1.3	-4.0	-2.4
2003												
January	-12.2	-12.3	-5.1	-5.4	-9.2	-10.6	-9.4	-10.6	-13.2	-16.2	-8.0	-8.9
February	11.8	15.8	7.4	4.6	9.0	8.6	9.3	9.2	16.4	20.3	6.8	6.0
March	12.2	11.1	9.9	15.6	12.0	14.5	12.0	14.2	14.5	17.0	11.1	13.3
April	-0.8	0.9	-6.9	-3.8	-4.8	-1.9	-4.5	-1.7	-6.0	-5.7	-3.9	-0.4
May	12.6	15.9	16.0	22.3	12.9	13.4	12.9	13.9	12.1	11.9	13.2	14.6
June	-4.8	-3.5	-2.3	-7.1	-3.9	-3.3	-3.9	-3.4	1.3	2.7	-5.9	-5.3
July	17.8	17.8	12.7	16.2	8.8	10.6	9.8	11.5	9.4	12.7	9.9	11.1
August	-13.7	-14.6	-11.2	-11.9	-4.2	-2.2	-5.4	-3.8	-4.7	-3.2	-5.7	-4.1
September	2.1	4.4	4.6	6.8	3.5	4.9	3.4	4.9	8.0	9.7	1.5	3.2
October	3.9	3.2	2.5	0.7	4.7	3.7	4.5	3.5	6.1	3.4	3.9	3.6
November	-13.6	-10.6	-3.9	-1.6	-8.9	-8.7	-9.2	-8.6	-5.4	-8.2	-10.8	-8.8
SEASONALLY ADJUSTED (% CHANGE FROM PREVIOUS MONTH)												
2002												
November	-2.8	1.2	14.3	14.7	0.2	0.3	0.3	0.8	0.5	1.8	0.2	0.5
December	-4.2	-6.7	-5.7	-3.1	1.3	1.8	0.5	0.8	1.7	2.2	0.1	0.4
2003												
January	6.9	9.5	2.9	4.8	0.7	0.7	1.3	1.7	-0.9	-1.4	2.1	2.7
February	3.7	5.5	3.7	1.2	1.0	2.2	1.3	2.5	1.2	2.8	1.3	2.4
March	2.6	0.8	-0.7	5.4	2.6	2.5	2.5	2.4	5.3	6.3	1.5	1.2
April	2.8	5.9	1.0	2.0	-0.2	3.4	0.2	3.6	-1.1	-1.1	0.7	5.1
May	-0.9	2.5	2.2	8.1	3.3	3.7	2.8	3.7	0.5	2.0	3.7	4.2
June	1.0	2.7	2.9	-0.9	2.9	4.4	2.7	4.0	4.8	5.7	1.9	3.5
July	0.4	0.5	5.0	7.3	1.9	5.3	1.8	4.9	7.4	11.4	-0.3	2.9
August	-0.7	-0.7	-2.1	-4.2	4.1	5.1	3.5	4.2	5.4	5.9	2.7	3.6
September	0.7	3.5	0.9	4.3	4.0	3.5	3.6	3.5	7.8	8.8	1.8	1.7
October	1.6	—	2.3	1.3	-1.7	-0.6	-1.3	-0.5	1.5	0.6	-2.4	-0.9
November	-5.1	-3.3	-0.5	0.8	-3.9	-3.6	-3.9	-3.4	0.4	-1.1	-5.8	-4.3
TREND (% CHANGE FROM PREVIOUS MONTH)												
2002												
November	-2.6	-1.5	2.4	2.7	0.2	0.8	—	0.7	0.7	1.5	-0.3	0.4
December	-0.7	0.3	2.4	3.1	0.6	1.1	0.5	1.1	0.8	1.3	0.4	1.0
2003												
January	1.4	2.3	1.9	3.2	1.0	1.4	1.0	1.6	0.9	1.2	1.1	1.7
February	2.7	3.8	1.5	3.6	1.2	1.9	1.4	2.2	1.0	1.4	1.5	2.4
March	2.9	4.2	1.5	3.8	1.5	2.6	1.6	2.8	1.2	2.0	1.8	3.1
April	2.2	3.8	1.6	3.7	1.9	3.4	1.9	3.5	2.0	3.1	1.9	3.6
May	1.4	3.1	2.0	3.5	2.5	4.3	2.4	4.1	3.2	4.7	2.1	4.0
June	0.6	2.1	2.1	3.0	2.8	4.6	2.6	4.3	4.4	6.1	1.9	3.7
July	0.1	1.3	1.7	2.3	2.7	4.1	2.4	3.8	5.1	6.5	1.3	2.9
August	—	0.9	1.5	1.8	2.2	3.3	1.9	3.0	5.1	6.1	0.7	2.0
September	-0.2	0.6	1.1	1.4	1.6	2.4	1.4	2.2	4.6	5.1	0.1	1.2
October	-0.3	0.3	0.8	1.2	1.0	1.7	0.9	1.5	3.7	4.0	-0.4	0.6
November	-0.3	0.1	0.6	0.8	0.4	0.9	0.4	0.8	2.8	2.9	-0.8	0.1

— nil or rounded to zero (including null cells)

(b) Includes refinancing.

(a) Excludes alterations and additions

HOUSING FINANCE COMMITMENTS(a), By Lender: Australia

Month	Banks		Non-banks(b)		Total		Permanent building societies		Wholesale lenders n.e.c.	
	no.	\$m	no.	\$m	no.	\$m	no.	\$m	no.	\$m
ORIGINAL										
2002										
November	38 901	6 788	12 881	1 882	51 782	8 670	2 119	300	7 681	1 204
December	37 450	6 653	12 223	1 833	49 673	8 486	1 923	266	7 195	1 140
2003										
January	33 887	5 964	11 117	1 621	45 004	7 585	1 740	242	6 541	1 013
February	36 502	6 392	12 670	1 888	49 172	8 281	2 113	304	7 603	1 205
March	40 784	7 300	14 288	2 159	55 072	9 459	2 237	321	8 935	1 430
April	38 661	7 181	13 929	2 115	52 590	9 296	2 265	342	8 366	1 342
May	43 845	8 182	15 545	2 410	59 390	10 592	2 391	370	9 483	1 528
June	42 204	7 894	14 851	2 336	57 055	10 229	2 321	351	9 096	1 507
July	46 333	8 723	16 308	2 685	62 641	11 408	2 639	406	9 877	1 758
August	44 245	8 466	15 028	2 506	59 273	10 972	2 353	354	9 304	1 686
September	45 294	8 827	15 979	2 681	61 273	11 508	2 442	387	9 874	1 801
October	47 551	9 126	16 496	2 786	64 047	11 912	2 450	383	9 990	1 866
November	43 062	8 371	15 101	2 513	58 163	10 884	2 244	351	9 124	1 656
SEASONALLY ADJUSTED										
2002										
November	37 971	6 603	12 831	1 895	50 802	8 498	2 067	290	7 740	1 238
December	37 892	6 580	13 179	1 987	51 071	8 567	2 153	298	8 093	1 291
2003										
January	38 568	6 725	13 174	1 983	51 742	8 708	2 196	316	7 931	1 261
February	39 034	6 912	13 387	2 014	52 421	8 926	2 149	312	8 250	1 316
March	40 063	7 060	13 679	2 082	53 742	9 142	2 192	326	8 612	1 365
April	39 521	7 315	14 317	2 153	53 838	9 468	2 223	330	8 585	1 360
May	41 026	7 595	14 342	2 221	55 368	9 816	2 240	337	8 681	1 407
June	42 148	7 926	14 712	2 284	56 860	10 210	2 348	345	8 861	1 469
July	43 079	8 269	14 821	2 442	57 900	10 711	2 381	362	8 929	1 595
August	44 997	8 673	14 914	2 489	59 911	11 162	2 362	359	9 236	1 656
September	45 606	8 861	16 450	2 696	62 056	11 558	2 375	382	9 566	1 715
October	45 817	8 926	15 462	2 573	61 279	11 500	2 344	369	9 426	1 732
November	43 640	8 520	15 254	2 587	58 894	11 107	2 256	352	9 367	1 745
TREND										
2002										
November	38 022	6 574	12 884	1 924	50 906	8 498	2 061	290	7 799	1 251
December	38 164	6 644	13 008	1 947	51 172	8 590	2 113	300	7 928	1 266
2003										
January	38 481	6 745	13 217	1 981	51 698	8 726	2 153	308	8 096	1 284
February	38 920	6 887	13 491	2 027	52 411	8 914	2 183	316	8 271	1 307
March	39 492	7 083	13 766	2 081	53 258	9 164	2 206	323	8 429	1 337
April	40 230	7 336	14 053	2 148	54 283	9 483	2 236	331	8 578	1 378
May	41 196	7 645	14 376	2 232	55 572	9 877	2 278	340	8 734	1 433
June	42 291	7 972	14 706	2 326	56 997	10 298	2 317	349	8 893	1 499
July	43 343	8 271	15 006	2 419	58 349	10 690	2 345	357	9 048	1 568
August	44 218	8 515	15 258	2 500	59 476	11 015	2 356	363	9 196	1 633
September	44 844	8 696	15 458	2 565	60 302	11 261	2 353	367	9 329	1 690
October	45 241	8 818	15 599	2 614	60 840	11 432	2 343	368	9 436	1 735
November	45 371	8 882	15 689	2 646	61 060	11 528	2 326	368	9 507	1 768

(a) Excludes alterations and additions. Includes refinancing.

(b) Includes Permanent Building Societies and Wholesale Lenders n.e.c.

HOUSING FINANCE COMMITMENTS(a), By Lender: Australia (Percentage Change)

Month	Banks		Non-banks(b)		Total		Permanent building societies		Wholesale lenders n.e.c.	
	no.	value	no.	value	no.	value	no.	value	no.	value
ORIGINAL (% change from previous month)										
2002										
November	-1.9	0.9	-5.7	-8.5	-2.9	-1.3	-6.4	-4.9	-7.1	-10.5
December	-3.7	-2.0	-5.1	-2.6	-4.1	-2.1	-9.2	-11.5	-6.3	-5.3
2003										
January	-9.5	-10.4	-9.0	-11.6	-9.4	-10.6	-9.5	-8.8	-9.1	-11.2
February	7.7	7.2	14.0	16.5	9.3	9.2	21.4	25.2	16.2	18.9
March	11.7	14.2	12.8	14.4	12.0	14.2	5.9	5.8	17.5	18.7
April	-5.2	-1.6	-2.5	-2.1	-4.5	-1.7	1.3	6.5	-6.4	-6.1
May	13.4	13.9	11.6	14.0	12.9	13.9	5.6	8.2	13.4	13.8
June	-3.7	-3.5	-4.5	-3.1	-3.9	-3.4	-2.9	-5.2	-4.1	-1.4
July	9.8	10.5	9.8	14.9	9.8	11.5	13.7	15.7	8.6	16.7
August	-4.5	-2.9	-7.8	-6.7	-5.4	-3.8	-10.8	-12.8	-5.8	-4.1
September	2.4	4.3	6.3	7.0	3.4	4.9	3.8	9.1	6.1	6.8
October	5.0	3.4	3.2	3.9	4.5	3.5	0.3	-1.0	1.2	3.6
November	-9.4	-8.3	-8.5	-9.8	-9.2	-8.6	-8.4	-8.4	-8.7	-11.2
SEASONALLY ADJUSTED (% change from previous month)										
2002										
November	0.5	1.2	-0.2	-0.4	0.3	0.8	-2.9	-1.8	-0.5	-0.8
December	-0.2	-0.3	2.7	4.8	0.5	0.8	4.1	2.7	4.6	4.3
2003										
January	1.8	2.2	—	-0.2	1.3	1.7	2.0	6.1	-2.0	-2.3
February	1.2	2.8	1.6	1.6	1.3	2.5	-2.1	-1.3	4.0	4.4
March	2.6	2.1	2.2	3.4	2.5	2.4	2.0	4.4	4.4	3.7
April	-1.4	3.6	4.7	3.4	0.2	3.6	1.4	1.3	-0.3	-0.3
May	3.8	3.8	0.2	3.1	2.8	3.7	0.8	2.0	1.1	3.4
June	2.7	4.4	2.6	2.8	2.7	4.0	4.8	2.6	2.1	4.4
July	2.2	4.3	0.7	6.9	1.8	4.9	1.4	4.8	0.8	8.6
August	4.5	4.9	0.6	1.9	3.5	4.2	-0.8	-0.8	3.4	3.8
September	1.4	2.2	10.3	8.3	3.6	3.5	0.6	6.4	3.6	3.6
October	0.5	0.7	-6.0	-4.6	-1.3	-0.5	-1.3	-3.4	-1.5	1.0
November	-4.8	-4.5	-1.3	0.5	-3.9	-3.4	-3.8	-4.6	-0.6	0.7
TREND (% change from previous month)										
2002										
November	—	0.8	—	0.1	—	0.7	2.1	2.8	0.8	0.4
December	0.4	1.1	1.0	1.2	0.5	1.1	2.5	3.4	1.7	1.1
2003										
January	0.8	1.5	1.6	1.8	1.0	1.6	1.9	3.0	2.1	1.5
February	1.1	2.1	2.1	2.3	1.4	2.2	1.4	2.6	2.2	1.8
March	1.5	2.9	2.0	2.7	1.6	2.8	1.1	2.2	1.9	2.3
April	1.9	3.6	2.1	3.2	1.9	3.5	1.4	2.3	1.8	3.1
May	2.4	4.2	2.3	3.9	2.4	4.1	1.9	2.7	1.8	4.0
June	2.7	4.3	2.3	4.2	2.6	4.3	1.7	2.6	1.8	4.6
July	2.5	3.8	2.0	4.0	2.4	3.8	1.2	2.3	1.7	4.6
August	2.0	3.0	1.7	3.3	1.9	3.0	0.5	1.7	1.6	4.2
September	1.4	2.1	1.3	2.6	1.4	2.2	-0.1	1.0	1.4	3.4
October	0.9	1.4	0.9	1.9	0.9	1.5	-0.5	0.5	1.1	2.7
November	0.3	0.7	0.6	1.2	0.4	0.8	-0.7	—	0.8	1.9

— nil or rounded to zero (including null cells)
(a) Excludes alterations and additions. Includes refinancing.

(b) Includes Permanent Building Societies and Wholesale Lenders n.e.c.

HOUSING FINANCE COMMITMENTS(a), By State/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>Total</i>
<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>	<i>no.</i>
ORIGINAL									
2002									
November	16 666	12 187	10 071	4 336	6 147	1 153	313	909	51 782
December	15 496	12 052	9 473	4 322	5 934	1 174	364	858	49 673
2003									
January	13 824	10 752	8 946	3 765	5 785	977	254	701	45 004
February	15 753	10 894	10 096	4 112	6 076	1 015	333	893	49 172
March	17 501	12 163	11 670	4 814	6 588	1 152	408	776	55 072
April	16 862	11 804	10 596	4 583	6 432	1 074	437	802	52 590
May	19 412	13 105	11 529	5 089	7 631	1 283	478	863	59 390
June	18 135	12 842	11 498	4 975	7 137	1 249	423	796	57 055
July	19 998	13 852	12 994	5 355	7 772	1 366	358	946	62 641
August	19 243	13 234	12 419	4 663	7 234	1 306	358	816	59 273
September	20 015	13 450	12 771	5 005	7 345	1 353	446	888	61 273
October	20 496	14 330	13 276	5 312	7 913	1 409	408	903	64 047
November	18 673	12 689	12 032	5 006	7 351	1 182	434	796	58 163
SEASONALLY ADJUSTED (b)									
2002									
November	16 299	11 916	9 815	4 136	6 026	1 110	309	888	50 802
December	16 425	11 995	9 962	4 171	6 241	1 150	336	877	51 071
2003									
January	16 802	12 212	10 360	4 266	6 241	1 110	305	813	51 742
February	17 018	11 733	10 522	4 414	6 247	1 047	335	881	52 421
March	16 889	12 371	10 997	4 711	6 428	1 123	377	781	53 742
April	17 012	12 307	11 078	4 677	6 738	1 136	417	792	53 838
May	17 566	12 422	10 802	4 806	6 952	1 170	450	818	55 368
June	17 829	12 782	11 708	4 892	7 107	1 295	440	824	56 860
July	18 624	12 865	12 062	4 952	7 264	1 332	360	894	57 900
August	19 169	13 217	12 697	4 971	7 418	1 310	398	851	59 911
September	19 798	13 479	12 755	5 141	7 663	1 403	429	889	62 056
October	19 765	13 302	12 531	5 222	7 608	1 344	433	855	61 279
November	19 125	12 932	12 137	4 993	7 576	1 171	439	790	58 894
TREND (b)									
2002									
November	16 585	11 903	9 853	4 158	6 142	1 101	290	848	50 906
December	16 552	11 924	10 066	4 203	6 160	1 102	304	854	51 172
2003									
January	16 619	11 988	10 297	4 308	6 226	1 100	328	847	51 698
February	16 752	12 080	10 521	4 440	6 340	1 103	356	832	52 411
March	16 946	12 189	10 749	4 575	6 497	1 119	382	818	53 258
April	17 214	12 332	11 016	4 697	6 689	1 152	401	814	54 283
May	17 593	12 526	11 344	4 805	6 900	1 204	412	822	55 572
June	18 066	12 749	11 699	4 891	7 104	1 261	416	838	56 997
July	18 566	12 953	12 035	4 961	7 279	1 304	414	852	58 349
August	19 013	13 105	12 307	5 021	7 418	1 325	413	860	59 476
September	19 356	13 208	12 493	5 072	7 529	1 328	416	859	60 302
October	19 599	13 269	12 597	5 111	7 614	1 319	422	852	60 840
November	19 733	13 285	12 641	5 130	7 670	1 300	427	841	61 060

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of states and territories may not equal Australian total (see paragraph 19 in Explanatory Notes).

HOUSING FINANCE COMMITMENTS(a), By State/Territory: (Percentage Change)

	<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>	Total
<i>Month</i>	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL (% change from previous month)									
2002									
November	-3.6	-3.6	-2.7	0.2	-4.2	-0.4	22.3	1.9	-2.9
December	-7.0	-1.1	-5.9	-0.3	-3.5	1.8	16.3	-5.6	-4.1
2003									
January	-10.8	-10.8	-5.6	-12.9	-2.5	-16.8	-30.2	-18.3	-9.4
February	14.0	1.3	12.9	9.2	5.0	3.9	31.1	27.4	9.3
March	11.1	11.6	15.6	17.1	8.4	13.5	22.5	-13.1	12.0
April	-3.7	-3.0	-9.2	-4.8	-2.4	-6.8	7.1	3.4	-4.5
May	15.1	11.0	8.8	11.0	18.6	19.5	9.4	7.6	12.9
June	-6.6	-2.0	-0.3	-2.2	-6.5	-2.7	-11.5	-7.8	-3.9
July	10.3	7.9	13.0	7.6	8.9	9.4	-15.4	18.8	9.8
August	-3.8	-4.5	-4.4	-12.9	-6.9	-4.4	—	-13.7	-5.4
September	4.0	1.6	2.8	7.3	1.5	3.6	24.6	8.8	3.4
October	2.4	6.5	4.0	6.1	7.7	4.1	-8.5	1.7	4.5
November	-8.9	-11.5	-9.4	-5.8	-7.1	-16.1	6.4	-11.8	-9.2
SEASONALLY ADJUSTED (% change from previous month)									
2002									
November	-1.8	1.8	0.6	-1.7	-3.1	0.7	23.7	7.1	0.3
December	0.8	0.7	1.5	0.8	3.6	3.6	8.7	-1.2	0.5
2003									
January	2.3	1.8	4.0	2.3	—	-3.5	-9.1	-7.3	1.3
February	1.3	-3.9	1.6	3.5	0.1	-5.7	10.0	8.4	1.3
March	-0.8	5.4	4.5	6.7	2.9	7.3	12.5	-11.3	2.5
April	0.7	-0.5	0.7	-0.7	4.8	1.1	10.4	1.4	0.2
May	3.3	0.9	-2.5	2.8	3.2	3.0	8.1	3.2	2.8
June	1.5	2.9	8.4	1.8	2.2	10.7	-2.4	0.7	2.7
July	4.5	0.7	3.0	1.2	2.2	2.9	-18.2	8.5	1.8
August	2.9	2.7	5.3	0.4	2.1	-1.6	10.7	-4.8	3.5
September	3.3	2.0	0.5	3.4	3.3	7.1	7.8	4.4	3.6
October	-0.2	-1.3	-1.7	1.6	-0.7	-4.2	0.7	-3.8	-1.3
November	-3.2	-2.8	-3.1	-4.4	-0.4	-12.9	1.5	-7.7	-3.9
TREND (% change from previous month)									
2002									
November	-0.8	-0.2	1.6	-0.7	-0.3	0.3	1.9	1.6	—
December	-0.2	0.2	2.2	1.1	0.3	0.1	5.1	0.8	0.5
2003									
January	0.4	0.5	2.3	2.5	1.1	-0.2	7.8	-0.9	1.0
February	0.8	0.8	2.2	3.1	1.8	0.3	8.6	-1.8	1.4
March	1.2	0.9	2.2	3.0	2.5	1.4	7.3	-1.6	1.6
April	1.6	1.2	2.5	2.7	3.0	3.0	5.0	-0.5	1.9
May	2.2	1.6	3.0	2.3	3.2	4.6	2.7	1.0	2.4
June	2.7	1.8	3.1	1.8	3.0	4.7	0.9	1.9	2.6
July	2.8	1.6	2.9	1.4	2.5	3.4	-0.4	1.7	2.4
August	2.4	1.2	2.3	1.2	1.9	1.6	-0.3	0.9	1.9
September	1.8	0.8	1.5	1.0	1.5	0.2	0.7	-0.1	1.4
October	1.3	0.5	0.8	0.8	1.1	-0.7	1.3	-0.8	0.9
November	0.7	0.1	0.3	0.4	0.7	-1.5	1.4	-1.3	0.4

— nil or rounded to zero (including null cells)

(a) Excludes alterations and additions. Includes refinancing.

HOUSING FINANCE COMMITMENTS (a), By State/Territory: (\$m)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Month	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002									
November	3 428	2 022	1 522	529	859	105	42	162	8 670
December	3 281	2 094	1 441	539	834	111	49	139	8 486
2003									
January	2 820	1 824	1 392	465	831	91	34	129	7 585
February	3 147	1 820	1 612	508	888	99	45	161	8 281
March	3 671	2 068	1 856	617	936	114	53	144	9 459
April	3 707	2 028	1 726	580	938	106	50	161	9 296
May	4 232	2 316	1 902	671	1 116	128	61	166	10 592
June	3 960	2 304	1 929	649	1 043	128	58	160	10 229
July	4 443	2 524	2 226	678	1 160	142	56	178	11 408
August	4 362	2 422	2 128	632	1 077	135	54	160	10 972
September	4 643	2 469	2 245	660	1 099	143	67	182	11 508
October	4 721	2 593	2 306	729	1 163	151	67	184	11 912
November	4 312	2 363	2 100	667	1 089	130	64	159	10 884
SEASONALLY ADJUSTED (b)									
2002									
November	3 336	1 947	1 486	501	852	101	44	149	8 498
December	3 405	2 027	1 509	504	870	107	45	142	8 567
2003									
January	3 419	2 059	1 601	520	883	111	40	155	8 708
February	3 505	1 959	1 649	537	902	102	44	162	8 926
March	3 540	2 064	1 716	596	913	109	49	147	9 142
April	3 668	2 155	1 779	599	958	117	50	154	9 468
May	3 811	2 193	1 836	634	1 012	118	56	152	9 816
June	3 899	2 301	1 968	645	1 052	131	59	165	10 210
July	4 172	2 411	2 067	651	1 085	135	57	173	10 711
August	4 332	2 420	2 160	678	1 114	135	61	170	11 162
September	4 650	2 460	2 332	682	1 157	144	63	186	11 558
October	4 536	2 427	2 187	720	1 148	142	69	173	11 500
November	4 385	2 418	2 066	659	1 127	129	68	151	11 107
TREND (b)									
2002									
November	3 381	1 977	1 494	501	857	102	38	145	8 498
December	3 391	1 989	1 537	511	866	104	40	149	8 590
2003									
January	3 424	2 006	1 585	528	880	106	43	151	8 726
February	3 480	2 034	1 642	550	901	108	46	152	8 914
March	3 560	2 080	1 707	576	929	111	49	153	9 164
April	3 669	2 143	1 785	602	965	116	51	155	9 483
May	3 816	2 219	1 879	626	1 006	121	54	159	9 877
June	3 989	2 297	1 978	645	1 047	128	57	164	10 298
July	4 162	2 361	2 068	661	1 083	133	59	169	10 690
August	4 315	2 405	2 137	673	1 111	136	62	172	11 015
September	4 435	2 433	2 182	682	1 132	138	64	172	11 261
October	4 522	2 451	2 206	689	1 146	139	66	171	11 432
November	4 575	2 459	2 212	692	1 154	139	68	169	11 528

(a) Excludes alterations and additions. Includes refinancing.

(b) Sum of states and territories may not equal Australian total (see paragraph 19 in Explanatory Notes).

HOUSING FINANCE COMMITMENTS, Purpose & Change in Stock: Australia, Original (\$m)

<i>Month</i>	<i>Dwellings financed</i>	<i>Refinancing of established dwellings</i>	<i>Alterations and additions</i>	Total	<i>Commitments advanced during month</i>	<i>Commitments cancelled during month</i>	<i>Commitments not advanced at end of month(a)</i>
<i>Month</i>	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2002							
November	6 639	2 031	465	9 135	7 983	1 005	18 971
December	6 482	2 004	448	8 935	8 479	825	18 628
2003							
January	5 906	1 679	411	7 995	7 247	810	17 469
February	6 261	2 019	444	8 724	7 331	873	18 002
March	7 097	2 362	451	9 911	8 128	1 136	18 657
April	7 069	2 228	427	9 723	8 284	761	19 393
May	8 100	2 492	485	11 077	9 704	820	19 942
June	7 671	2 559	495	10 724	9 138	859	20 665
July	8 524	2 884	523	11 931	9 957	907	21 441
August	8 179	2 793	581	11 553	9 963	841	22 407
September	8 443	3 065	569	12 077	10 535	1 040	22 928
October	8 744	3 168	620	12 533	10 869	860	23 729
November	7 976	2 908	542	11 426	9 878	917	24 430

(a) This figure sometimes reflects 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
2002							
November	8 406	16.2	158.8	3 417	6.6	141.9	167.4
December	7 806	15.7	160.4	2 884	5.8	147.0	170.8
2003							
January	7 004	15.6	161.9	2 569	5.7	151.7	168.5
February	7 638	15.5	160.8	2 751	5.6	148.6	168.4
March	8 344	15.2	165.8	3 364	6.1	147.7	171.8
April	7 771	14.8	170.6	3 708	7.1	142.5	176.8
May	8 443	14.2	171.0	4 171	7.0	152.8	178.3
June	7 751	13.6	174.8	3 618	6.3	151.5	179.3
July	8 525	13.6	180.2	4 663	7.4	157.7	182.1
August	8 005	13.5	186.7	5 443	9.2	167.2	185.1
September	8 273	13.5	187.0	6 163	10.1	172.6	187.8
October	8 583	13.4	185.4	8 164	12.7	170.4	186.0
November	7 591	13.1	184.7	8 837	15.2	163.5	187.1

(a) Excludes alterations and additions.

(b) Includes refinancing.

State	Construction of dwellings	Purchase of new dwellings	Purchase of established dwellings(b)	Total	Refinancing of established dwellings	Total excluding refinancing
NUMBER						
New South Wales	1 048	545	17 080	18 673	5 791	12 882
Victoria	1 383	457	10 849	12 689	4 372	8 317
Queensland	1 219	342	10 471	12 032	3 898	8 134
South Australia	394	138	4 474	5 006	1 523	3 483
Western Australia	1 025	144	6 182	7 351	2 301	5 050
Tasmania	103	13	1 066	1 182	374	808
Northern Territory	26	9	399	434	142	292
Australian Capital Territory	34	39	723	796	185	611
Total	5 232	1 687	51 244	58 163	18 586	39 577

VALUE (\$m)						
New South Wales	241	149	3 922	4 312	1 164	3 148
Victoria	267	94	2 001	2 363	650	1 713
Queensland	234	66	1 800	2 100	578	1 522
South Australia	63	20	584	667	165	501
Western Australia	169	24	896	1 089	272	817
Tasmania	12	1	116	130	36	94
Northern Territory	4	2	58	64	14	50
Australian Capital Territory	8	8	143	159	29	131
Total	999	365	9 520	10 884	2 908	7 976

AVERAGE LOAN SIZE (\$'000)						
New South Wales	229.9	274.2	229.6	230.9	201.0	244.4
Victoria	193.3	206.1	184.5	186.2	148.7	205.9
Queensland	192.1	194.2	171.9	174.5	148.3	187.1
South Australia	160.3	141.9	130.5	133.2	108.7	143.9
Western Australia	164.9	168.3	144.9	148.2	118.2	161.8
Tasmania	115.8	104.9	109.1	109.6	95.7	116.0
Northern Territory	150.7	199.9	146.4	147.8	98.0	172.0
Australian Capital Territory	240.3	208.7	198.0	200.3	154.7	214.1
Total	190.9	216.5	185.8	187.1	156.5	201.5

(a) Excludes alterations and additions.

(b) Includes refinancing.

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 20 to 22 in the Explanatory Notes.

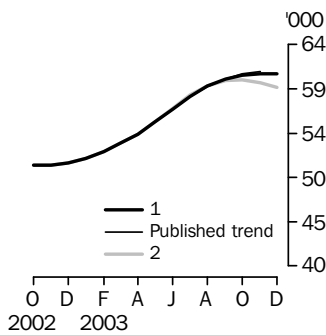
The graph below presents the effect of two possible scenarios on the previous trend estimates:

1 The December 2003 seasonally adjusted estimate of number of dwellings financed is higher than the November 2003 seasonally adjusted estimate by 4.0%.

2 The December 2003 seasonally adjusted estimate of number of dwellings financed is lower than the November 2003 seasonally adjusted estimate by 4.0%.

The percentage change of 4.0% was chosen because the average absolute percentage change of the seasonally adjusted series, based on the last 10 years of data, has been 4.0%.

NUMBER OF DWELLINGS FINANCED



	TREND AS PUBLISHED		WHAT IF NEXT MONTH'S SEASONALLY ADJUSTED ESTIMATE:			
	no.	% change	<i>(1) rises by 4% on this month</i>		<i>(2) falls by 4% on this month</i>	
	no.	% change	no.	% change	no.	% change
June 2003	56 997	2.6	57 028	2.6	57 096	2.7
July 2003	58 349	2.4	58 405	2.4	58 525	2.5
August 2003	59 476	1.9	59 502	1.9	59 562	1.8
September 2003	60 302	1.4	60 242	1.2	60 084	0.9
October 2003	60 840	0.9	60 662	0.7	60 139	0.1
November 2003	61 060	0.4	60 853	0.3	59 866	-0.5
December 2003	—	—	60 855	—	59 367	-0.8

— nil or rounded to zero (including null cells)

EXPLANATORY NOTES

- INTRODUCTION**
- 1** This publication presents statistics of secured housing finance commitments made by significant lenders to individuals. The commitments are for the construction or purchase of owner occupied dwellings. Commitments for the purchase of land, or for the construction or purchase of dwellings for rent or resale, are excluded and shown in *Lending Finance, Australia* (cat. no. 5671.0).
- SCOPE**
- 2** Finance commitments made by the following types of lenders are included:
- Banks
 - Permanent building societies
 - Credit unions/co-operative credit societies
 - Life or general insurance companies
 - General government enterprises
 - Superannuation funds
 - Securitiser of mortgage assets (wholesale lenders) which provide funds to borrowers through a retail intermediary (e.g. mortgage originators)
 - Other Registered Financial Corporations.
- 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.
- COVERAGE**
- 4** The statistics 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 for owner occupied housing 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.
- 5** An annual collection is conducted to maintain and update the survey coverage. New lenders are included as their lending for owner occupied housing becomes sufficiently large.
- 6** From June 2001, the collection 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 4).
- REVISIONS**
- 7** Revisions to previously published statistics are included in the publication as they occur.
- 8** 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**
- 9** A wholesale lender provides funds to borrowers through a retail intermediary which may then also be responsible for the on-going relationship with the borrower.
- 10** 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.

EXPLANATORY NOTES *continued*

WHOLESALE LENDERS *continued*

11 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 level of the Wholesale Lenders n.e.c. series by \$249m in July 2000.

12 Wholesale lenders contribute to the Non-Banks series, 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 of 1,256 commitments and \$167m. Consequential breaks in the finance purpose trend series 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).

13 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.

14 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

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

16 Over the period from early 1990 to April 1995, four of the major banks changed from reporting for the 4 or 5 weeks ending on the last Wednesday of each month to reporting on a calendar month basis. The published seasonally adjusted data take account of this change in pattern.

17 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.

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 annual seasonal re-analysis. 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).

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

19 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 15 to 18.

20 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.

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: 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>.

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. Percentage changes in this publication have been derived from unrounded data.

ABS DATA AVAILABLE ON REQUEST

24 Estimates for months prior to those shown in this publication and more detailed series can be purchased in spreadsheet format from the ABS web site - see listing on page 3. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

RELATED RELEASES

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

- *Lending Finance, Australia* (cat. no. 5671.0)
- *Assets and Liabilities of Australian Securitizers* (cat. no. 5232.0.40.001)
- *Buildings Approvals, Australia* (cat. no. 8731.0)
- *Building Activity, Australia: Dwelling Unit Commencement, Preliminary* (cat. no. 8750.0)

26 In addition, the Reserve Bank of Australia produces the monthly *Reserve Bank of Australia Bulletin* as well as data on its web site <<http://www.rba.gov.au>>. The Australian Prudential Regulation Authority (APRA) publishes a range of finance statistics on its web site <<http://www.apra.gov.au>>.

27 Current publications produced by the ABS are listed in the *Catalogue of Publications and Products, Australia* (cat. no. 1101.0). The *Catalogue* and information on forthcoming releases (Release Advices) are available from any ABS office or from the ABS web site <<http://www.abs.gov.au>>.

GLOSSARY

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	The Average Loan series is calculated as follows: $\frac{\text{Total value of lending commitments per month}}{\text{Total number of dwellings financed per month}}$ 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.
Commitment	A lending commitment is a firm offer of housing finance. It either has been, or is normally expected to be, accepted. Included are commitments to provide housing finance to employees and commitments accepted and cancelled in the same month.
Commitments not advanced	Commitments not advanced at the end of the month are calculated as follows: $\begin{aligned} & \text{Balance of unadvanced commitments at the end of the previous month} \\ & + \text{Total new housing commitments (including refinancing)} \\ & + \text{Alterations and additions} \\ & = \text{Total commitments} \\ & - \text{Cancellations of commitments} \\ & - \text{Commitments advanced during the month} \\ & = \text{Commitments not advanced at the end of the month} \end{aligned}$
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 semi-detached house, a terrace house, a flat, home unit, town house, etc.
Dwellings 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 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.
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.
Refinancing	Refinancing represents a commitment to refinance an existing loan where the refinancing lender is not the lender who made the original loan. Excluded are an institution's refinancing of its own loans and the refinancing of loans to fund a change of residence. The latter is treated as a new lending commitment.
Secured housing finance	This is all secured commitments to individuals for the construction or purchase of 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.
Self-contained	The dwelling includes bathing and cooking facilities.

GLOSSARY *continued*

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.

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