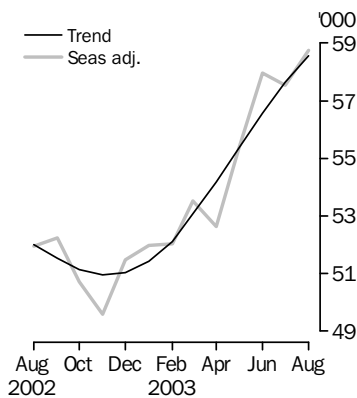


HOUSING FINANCE FOR OWNER OCCUPATION

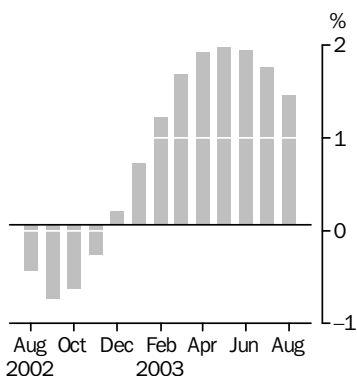
AUSTRALIA

EMBARGO: 11.30AM (CANBERRA TIME) FRI 10 OCT 2003

Housing finance
Number of dwellings



Number of dwellings
Trend estimates
% change



KEY FIGURES

	Aug 2003 no.	Jul 2003 to Aug 2003 % change
TREND ESTIMATES		
Total number of dwelling commitments	58 566	1.6
Construction of dwellings	5 775	0.7
Purchase of new dwellings	1 656	1.0
Purchase of established dwellings(a)	51 135	1.7

SEASONALLY ADJUSTED ESTIMATES

Total number of dwelling commitments	58 741	2.1
Construction of dwellings	5 748	0.1
Purchase of new dwellings	1 621	-5.0
Purchase of established dwellings(a)	51 372	2.6

(a) Includes refinancing.

KEY POINTS

TREND ESTIMATES

- The trend series for the number of housing finance commitments recorded a monthly increase of 1.6% in August 2003, while the trend series excluding refinancing of existing loans rose by 1.2%. The trend series for the value of commitments increased by 2.7%.
- Growth in the construction finance trend series eased to a 0.7% increase in August 2003, the fifth monthly easing since growth peaked in March. The trend for the purchase of new dwellings increased by 1.0%, while commitments for established dwellings rose by 1.7% and the refinancing trend increased by 2.6%.

SEASONALLY ADJUSTED ESTIMATES

- The number of housing finance commitments (seasonally adjusted) increased by 2.1% in August 2003. There were increases in refinancing of established dwellings (up 5.2%), purchase of established dwellings excluding refinancing (up 1.3%) and construction of dwellings (up 0.1%). This was partly offset by a decrease in purchase of new dwellings (down 5.0%). A record 29.5% of all finance approvals were for the refinancing of an existing loan.
- Value of commitments (seasonally adjusted) rose by 2.5% in August 2003.

ORIGINAL ESTIMATES

- First home buyer commitments as a percentage of total commitments increased slightly to 13.8% in August 2003. The average loan size for first home buyers was \$186,700 in August 2003, up from \$180,600 in July.

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 02 252 6731.

NOTES

FORTHCOMING ISSUES

<i>ISSUE</i>	<i>RELEASE DATE</i>
September 2003	10 November 2003
October 2003	10 December 2003
November 2003	19 January 2004
December 2003	13 February 2004
January 2004	12 March 2004
February 2004	13 April 2004



CHANGES IN THIS ISSUE

From this issue trend and seasonal annual growth rates have been omitted from the key figures area on the front page. Trend and seasonally adjusted growth rates differ little from unadjusted (original) growth rates.

An additional column "Total excluding refinancing of established dwellings" has been added to tables 1 and 2.

DATA QUALITY

The August data should be considered as preliminary. There are some quality issues in reported data which ABS has not been able to resolve fully in time to meet the publication timetable. The August data are the ABS's best estimates, but there may be revisions. We are confident that any revised estimate for the growth in the number and value of total housing finance commitments (seasonally adjusted) would be within about one percentage point of the current estimate.

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

Susan Linacre
Acting Australian Statistician

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ADDITIONAL TABLES ON AUSSTATS

TABLES AVAILABLE ON AUSSTATS

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

Tables available are:

- longer time series of tables in this publication
- the following tables
 - 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)

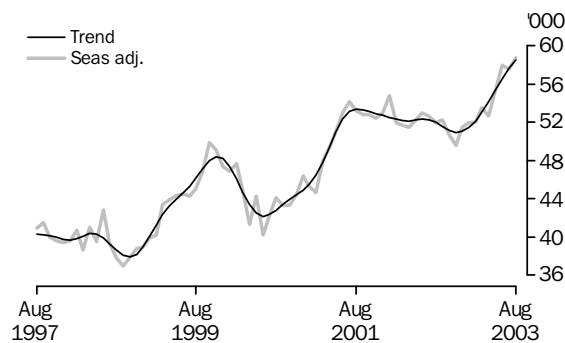
HOUSING FINANCE SUMMARY OF FINDINGS

DWELLINGS FINANCED

Number financed including refinancing

Total housing commitments (seasonally adjusted) increased by 2.1% in August 2003 after a 0.7% decrease in July. The increase was mainly due to the refinancing of established dwellings (up 859, 5.2%) and purchase of established dwellings excluding refinancing (up 421, 1.3%). There was also an increase in construction of dwellings (up 0.1%). A decrease in purchase of new dwellings (down 86, -5.0%) partly offset these increases. The total housing commitments trend increased in August (up 917, 1.6%).

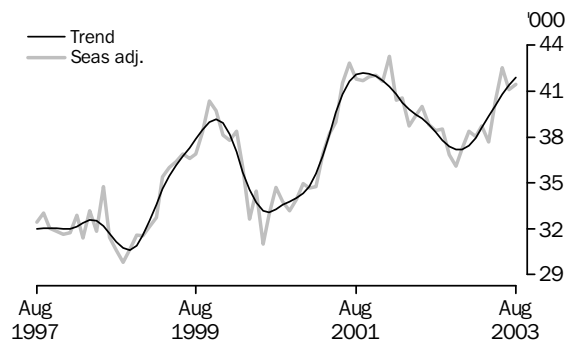
There were increases (seasonally adjusted) in Queensland (up 817, 6.9%), Victoria (up 371, 2.9%), NSW (up 333, 1.8%) and NT (up 39, 11.5%), while decreases were recorded for WA (down 179, -2.4%), ACT (down 107, -11.9%), Tasmania (down 75, -5.5%) and SA (down 51, -1.1%). The trend increased in all states, for NT there was a trend decline, and ACT remained flat.



In original terms, the percentage of first home buyer commitments increased slightly to 13.8% of all commitments. The percentage of commitments at a fixed rate of interest (for at least two years) increased from 7.2% in July 2003 to 8.6% in August 2003.

Number financed excluding refinancing

The number of dwellings financed excluding refinancing (seasonally adjusted) increased in August 2003 (up 341, 0.8%), after a 3.4% fall in July. The trend series increased by 1.2% in August.



Value of commitments

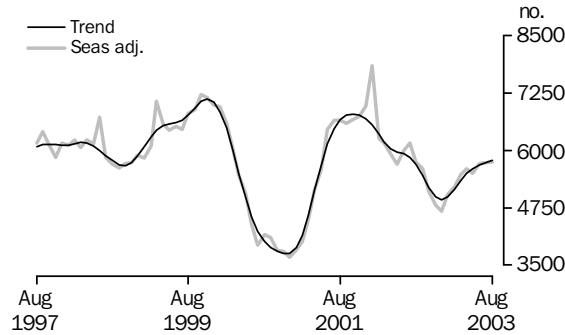
The total value of commitments (seasonally adjusted) rose by 2.5% in August 2003, after a rise of 3.4% in July. The trend series increased 2.7%, continuing the run of increases from March 2002.

HOUSING FINANCE SUMMARY OF FINDINGS *continued*

PURPOSE OF FINANCE

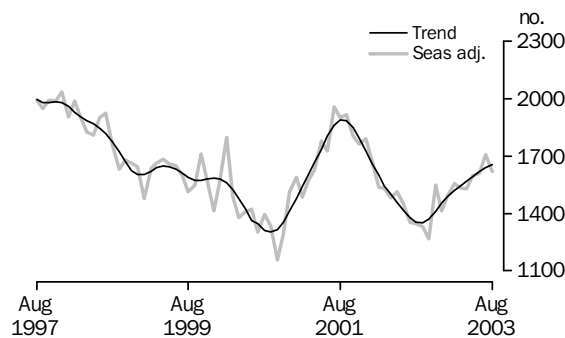
Construction of dwellings

Construction commitments (seasonally adjusted) increased by 0.1% in August 2003. The trend series increased by 0.7% in August, following larger increases in the previous months in 2003.



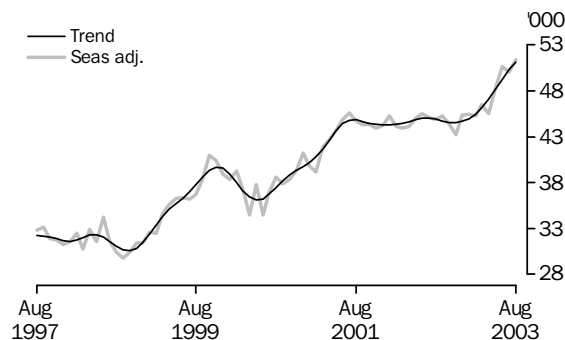
Purchase of new dwellings

The number of finance commitments for the purchase of new dwellings (seasonally adjusted) fell by 5.0% in August 2003, after an increase of 6.0% in July 2003. The trend series rose 1.0% in August, with growth easing since December 2002.



Purchase of established dwellings

The seasonally adjusted established dwelling finance series rose by 2.6% in August 2003, following a 1.0% fall in July. The trend in finance commitments for the purchase of established dwellings rose by 1.7% in August 2003.

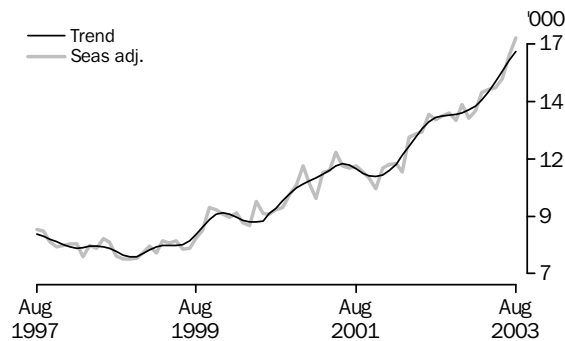


HOUSING FINANCE SUMMARY OF FINDINGS *continued*

Refinancing

Refinancing commitments grew strongly in August 2003, increasing by 5.2% in seasonally adjusted terms. As a result, trend growth remained strong, at 2.6%.

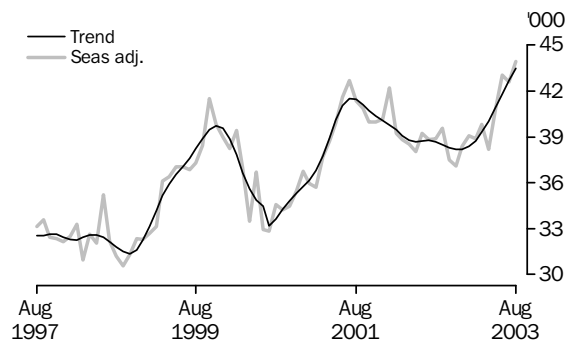
In August, 29.5% of all loans (seasonally adjusted) were for the refinancing of existing dwellings.



TYPE OF LENDER

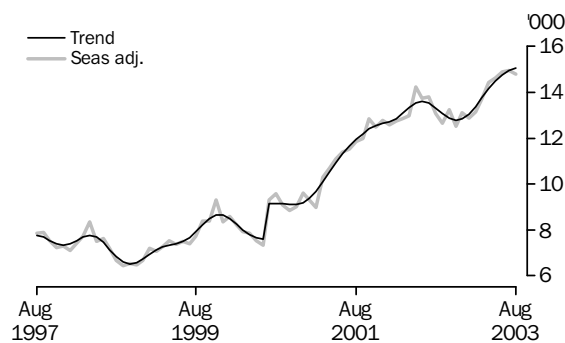
Banks

The seasonally adjusted bank series increased by 3.2% in August 2003, rebounding from the 1.1% decrease recorded in July. Growth in the trend series eased slightly to 1.9%.



Non-banks

In seasonally adjusted terms, housing commitments by non-banks fell by 1.1% in August 2003, after a 0.5% increase in the previous month. The decrease in the adjusted series is primarily due to a fall of 6.3% (or 223 commitments) for non-bank lenders other than permanent building societies and wholesale lenders, as well as a decrease of 5.8% (or 143 commitments) for permanent building societies. These decreases were partially offset by an increase recorded by wholesale lenders (up 205, 2.3%). The non-bank trend series continued to increase, but at the slower rate of 0.8% for August.



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												
August	5 951	948	1 373	268	44 775	7 227	52 099	8 444	13 718	1 984	38 381	6 460
September	5 340	845	1 340	248	42 151	6 965	48 831	8 058	12 803	1 905	36 028	6 153
October	5 536	906	1 358	248	46 428	7 628	53 322	8 782	14 334	2 084	38 988	6 698
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	6 475	1 203	1 845	393	53 528	9 715	61 848	11 310	17 613	2 839	44 235	8 471
August	5 811	1 062	1 584	333	50 230	9 207	57 625	10 602	16 753	2 716	40 872	7 886
SEASONALLY ADJUSTED												
2002												
August	5 756	926	1 348	261	44 846	7 275	51 950	8 463	13 543	1 967	38 407	6 496
September	5 605	904	1 331	249	45 298	7 431	52 234	8 584	13 738	2 043	38 496	6 541
October	5 104	826	1 267	240	44 346	7 471	50 717	8 537	13 872	2 025	36 845	6 513
November	4 806	827	1 548	286	43 247	7 214	49 601	8 328	13 513	2 001	36 088	6 326
December	4 677	781	1 415	276	45 385	7 560	51 477	8 618	14 248	2 142	37 229	6 476
2003												
January	5 044	857	1 493	294	45 443	7 579	51 980	8 730	13 633	2 008	38 347	6 722
February	5 202	908	1 558	291	45 258	7 629	52 018	8 828	13 973	2 095	38 045	6 732
March	5 463	914	1 533	307	46 516	7 831	53 512	9 052	14 794	2 241	38 718	6 811
April	5 606	973	1 530	315	45 493	8 088	52 629	9 376	14 947	2 262	37 682	7 113
May	5 506	1 014	1 598	347	48 254	8 410	55 358	9 770	15 013	2 324	40 345	7 446
June	5 721	1 065	1 611	333	50 615	8 908	57 947	10 305	15 407	2 359	42 540	7 946
July	5 742	1 046	1 707	363	50 092	9 243	57 541	10 651	16 442	2 674	41 099	7 977
August	5 748	1 067	1 621	336	51 372	9 519	58 741	10 921	17 301	2 801	41 440	8 120
TREND												
2002												
August	5 695	908	1 356	252	44 944	7 273	51 995	8 433	13 653	1 953	38 342	6 480
September	5 455	881	1 351	254	44 721	7 333	51 527	8 468	13 734	1 997	37 793	6 471
October	5 194	853	1 372	259	44 565	7 378	51 131	8 490	13 755	2 026	37 376	6 464
November	4 996	832	1 409	268	44 545	7 417	50 950	8 518	13 789	2 046	37 161	6 472
December	4 925	830	1 454	278	44 660	7 467	51 039	8 574	13 858	2 064	37 181	6 510
2003												
January	4 993	848	1 491	288	44 946	7 544	51 430	8 679	13 988	2 087	37 442	6 592
February	5 153	884	1 520	299	45 439	7 674	52 112	8 856	14 180	2 122	37 932	6 734
March	5 342	928	1 544	310	46 187	7 886	53 073	9 124	14 459	2 180	38 614	6 944
April	5 500	970	1 567	321	47 128	8 170	54 195	9 461	14 839	2 262	39 356	7 198
May	5 606	1 006	1 594	331	48 172	8 489	55 372	9 827	15 289	2 363	40 083	7 464
June	5 680	1 035	1 619	340	49 259	8 819	56 558	10 194	15 774	2 474	40 784	7 720
July	5 736	1 058	1 640	347	50 273	9 128	57 649	10 533	16 263	2 586	41 386	7 947
August	5 775	1 075	1 656	351	51 135	9 394	58 566	10 820	16 685	2 682	41 881	8 138

(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												
August	-14.2	-12.7	-6.5	—	-6.3	-3.0	-7.3	-4.1	-7.7	-3.1	-7.1	-4.4
September	-10.3	-10.9	-2.4	-7.4	-5.9	-3.6	-6.3	-4.6	-6.7	-4.0	-6.1	-4.7
October	3.7	7.2	1.3	0.1	10.1	9.5	9.2	9.0	12.0	9.4	8.2	8.8
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	15.2	16.7	12.8	16.6	7.5	9.6	8.4	10.6	7.1	10.9	8.9	10.4
August	-10.3	-11.7	-14.1	-15.2	-6.2	-5.2	-6.8	-6.3	-4.9	-4.3	-7.6	-6.9
SEASONALLY ADJUSTED (% CHANGE FROM PREVIOUS MONTH)												
2002												
August	-6.6	-2.9	-0.5	6.5	-0.6	2.2	-1.3	1.8	-1.9	3.5	-1.1	1.2
September	-2.6	-2.3	-1.3	-4.5	1.0	2.1	0.5	1.4	1.4	3.9	0.2	0.7
October	-8.9	-8.6	-4.8	-3.8	-2.1	0.5	-2.9	-0.5	1.0	-0.9	-4.3	-0.4
November	-5.8	0.1	22.2	19.4	-2.5	-3.4	-2.2	-2.5	-2.6	-1.1	-2.1	-2.9
December	-2.7	-5.5	-8.6	-3.6	4.9	4.8	3.8	3.5	5.4	7.0	3.2	2.4
2003												
January	7.8	9.7	5.5	6.6	0.1	0.2	1.0	1.3	-4.3	-6.3	3.0	3.8
February	3.1	5.9	4.4	-1.2	-0.4	0.7	0.1	1.1	2.5	4.4	-0.8	0.2
March	5.0	0.7	-1.6	5.6	2.8	2.6	2.9	2.5	5.9	6.9	1.8	1.2
April	2.6	6.4	-0.2	2.6	-2.2	3.3	-1.7	3.6	1.0	0.9	-2.7	4.4
May	-1.8	4.2	4.4	10.1	6.1	4.0	5.2	4.2	0.4	2.7	7.1	4.7
June	3.9	5.0	0.8	-4.1	4.9	5.9	4.7	5.5	2.6	1.5	5.4	6.7
July	0.4	-1.8	6.0	9.2	-1.0	3.8	-0.7	3.4	6.7	13.4	-3.4	0.4
August	0.1	2.1	-5.0	-7.6	2.6	3.0	2.1	2.5	5.2	4.8	0.8	1.8
TREND (% CHANGE FROM PREVIOUS MONTH)												
2002												
August	-2.7	-1.7	-1.7	-0.6	-0.2	1.1	-0.6	0.8	1.5	3.4	-1.3	—
September	-4.2	-2.9	-0.4	0.7	-0.5	0.8	-0.9	0.4	0.6	2.3	-1.4	-0.1
October	-4.8	-3.3	1.6	2.3	-0.3	0.6	-0.8	0.3	0.2	1.4	-1.1	-0.1
November	-3.8	-2.4	2.7	3.2	—	0.5	-0.4	0.3	0.2	1.0	-0.6	0.1
December	-1.4	-0.3	3.2	3.7	0.3	0.7	0.2	0.7	0.5	0.9	0.1	0.6
2003												
January	1.4	2.2	2.5	3.6	0.6	1.0	0.8	1.2	0.9	1.1	0.7	1.3
February	3.2	4.2	1.9	3.8	1.1	1.7	1.3	2.0	1.4	1.7	1.3	2.2
March	3.7	5.0	1.6	3.8	1.6	2.8	1.8	3.0	2.0	2.7	1.8	3.1
April	3.0	4.6	1.5	3.5	2.0	3.6	2.1	3.7	2.6	3.8	1.9	3.7
May	1.9	3.7	1.7	3.3	2.2	3.9	2.2	3.9	3.0	4.5	1.8	3.7
June	1.3	2.9	1.6	2.7	2.3	3.9	2.1	3.7	3.2	4.7	1.7	3.4
July	1.0	2.2	1.3	1.9	2.1	3.5	1.9	3.3	3.1	4.5	1.5	2.9
August	0.7	1.6	1.0	1.4	1.7	2.9	1.6	2.7	2.6	3.7	1.2	2.4

— 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										
August	38 663	6 396	13 436	2 048	52 099	8 444	2 049	281	8 243	1 353
September	36 538	6 183	12 293	1 875	48 831	8 058	1 778	248	7 651	1 272
October	39 665	6 725	13 657	2 057	53 322	8 782	2 264	316	8 270	1 345
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	45 753	8 640	16 095	2 671	61 848	11 310	2 639	406	9 877	1 758
August	42 584	8 094	15 041	2 509	57 625	10 602	2 353	354	9 304	1 686
SEASONALLY ADJUSTED										
2002										
August	38 880	6 470	13 070	1 993	51 950	8 463	1 972	270	7 878	1 271
September	39 591	6 659	12 643	1 925	52 234	8 584	1 824	255	7 642	1 259
October	37 476	6 519	13 241	2 019	50 717	8 537	2 157	301	7 875	1 304
November	37 099	6 546	12 502	1 782	49 601	8 328	1 989	283	7 257	1 146
December	38 371	6 611	13 106	2 007	51 477	8 618	2 186	296	8 163	1 303
2003										
January	39 097	6 797	12 883	1 933	51 980	8 730	2 183	311	7 767	1 248
February	38 877	6 837	13 141	1 991	52 018	8 828	2 126	308	8 358	1 308
March	39 825	6 974	13 687	2 078	53 512	9 052	2 185	317	8 804	1 392
April	38 211	7 237	14 418	2 139	52 629	9 376	2 264	343	8 447	1 331
May	40 750	7 551	14 608	2 219	55 358	9 770	2 187	344	8 821	1 412
June	43 064	7 990	14 883	2 315	57 947	10 305	2 411	346	9 030	1 481
July	42 588	8 162	14 953	2 489	57 541	10 651	2 455	377	8 955	1 634
August	43 949	8 421	14 792	2 501	58 741	10 921	2 312	353	9 160	1 634
TREND										
2002										
August	38 684	6 440	13 311	1 993	51 995	8 433	2 056	282	7 885	1 281
September	38 460	6 508	13 067	1 961	51 527	8 468	2 018	278	7 756	1 262
October	38 264	6 557	12 867	1 932	51 131	8 490	2 018	280	7 685	1 248
November	38 166	6 597	12 784	1 920	50 950	8 518	2 055	286	7 719	1 246
December	38 184	6 645	12 855	1 929	51 039	8 574	2 102	296	7 848	1 255
2003										
January	38 377	6 724	13 053	1 955	51 430	8 679	2 141	305	8 043	1 272
February	38 739	6 856	13 373	2 000	52 112	8 856	2 174	314	8 266	1 298
March	39 316	7 056	13 757	2 068	53 073	9 124	2 204	324	8 483	1 337
April	40 044	7 309	14 151	2 152	54 195	9 461	2 242	334	8 665	1 386
May	40 884	7 586	14 488	2 241	55 372	9 827	2 286	344	8 806	1 442
June	41 810	7 863	14 748	2 331	56 558	10 194	2 329	352	8 929	1 501
July	42 706	8 117	14 943	2 415	57 649	10 533	2 366	359	9 041	1 561
August	43 506	8 335	15 060	2 485	58 566	10 820	2 396	365	9 101	1 610

(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										
August	-6.6	-3.7	-9.3	-5.3	-7.3	-4.1	-10.9	-9.4	-8.1	-4.0
September	-5.5	-3.3	-8.5	-8.4	-6.3	-4.6	-13.2	-11.9	-7.2	-6.0
October	8.6	8.8	11.1	9.7	9.2	9.0	27.3	27.5	8.1	5.8
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	8.4	9.5	8.4	14.3	8.4	10.6	13.7	15.7	8.6	16.7
August	-6.9	-6.3	-6.5	-6.1	-6.8	-6.3	-10.8	-12.8	-5.8	-4.1
SEASONALLY ADJUSTED (% change from previous month)										
2002										
August	0.2	2.8	-5.3	-1.4	-1.3	1.8	-9.4	-7.9	-0.9	-1.3
September	1.8	2.9	-3.3	-3.4	0.5	1.4	-7.5	-5.8	-3.0	-0.9
October	-5.3	-2.1	4.7	4.9	-2.9	-0.5	18.2	18.2	3.1	3.6
November	-1.0	0.4	-5.6	-11.7	-2.2	-2.5	-7.8	-5.9	-7.9	-12.1
December	3.4	1.0	4.8	12.6	3.8	3.5	9.9	4.4	12.5	13.7
2003										
January	1.9	2.8	-1.7	-3.7	1.0	1.3	-0.1	5.3	-4.9	-4.2
February	-0.6	0.6	2.0	3.0	0.1	1.1	-2.6	-0.9	7.6	4.8
March	2.4	2.0	4.2	4.4	2.9	2.5	2.8	2.9	5.3	6.5
April	-4.1	3.8	5.3	3.0	-1.7	3.6	3.6	8.1	-4.1	-4.4
May	6.6	4.3	1.3	3.7	5.2	4.2	-3.4	0.3	4.4	6.1
June	5.7	5.8	1.9	4.3	4.7	5.5	10.3	0.5	2.4	4.9
July	-1.1	2.2	0.5	7.5	-0.7	3.4	1.8	9.0	-0.8	10.3
August	3.2	3.2	-1.1	0.5	2.1	2.5	-5.8	-6.2	2.3	—
TREND (% change from previous month)										
2002										
August	-0.2	1.4	-1.5	-1.1	-0.6	0.8	-3.1	-2.6	-1.4	-0.9
September	-0.6	1.0	-1.8	-1.6	-0.9	0.4	-1.9	-1.3	-1.6	-1.5
October	-0.5	0.8	-1.5	-1.4	-0.8	0.3	—	0.5	-0.9	-1.2
November	-0.3	0.6	-0.6	-0.6	-0.4	0.3	1.8	2.3	0.4	-0.1
December	—	0.7	0.6	0.4	0.2	0.7	2.3	3.2	1.7	0.8
2003										
January	0.5	1.2	1.5	1.3	0.8	1.2	1.9	3.1	2.5	1.4
February	0.9	1.9	2.5	2.3	1.3	2.0	1.5	3.1	2.8	2.0
March	1.5	2.9	2.9	3.4	1.8	3.0	1.4	3.1	2.6	3.0
April	1.9	3.6	2.9	4.0	2.1	3.7	1.7	3.2	2.1	3.7
May	2.1	3.8	2.4	4.1	2.2	3.9	2.0	2.9	1.6	4.0
June	2.3	3.7	1.8	4.0	2.1	3.7	1.9	2.4	1.4	4.1
July	2.1	3.2	1.3	3.6	1.9	3.3	1.6	1.9	1.3	4.0
August	1.9	2.7	0.8	2.9	1.6	2.7	1.3	1.5	0.7	3.2

— 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)

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL									
2002									
August	17 635	12 419	9 610	4 166	6 138	1 114	273	744	52 099
September	16 496	11 431	9 320	3 825	5 728	990	256	785	48 831
October	17 280	12 639	10 351	4 329	6 417	1 158	256	892	53 322
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	19 817	13 699	12 845	5 115	7 725	1 365	356	926	61 848
August	18 483	13 032	12 200	4 495	6 998	1 303	341	773	57 625
SEASONALLY ADJUSTED (b)									
2002									
August	17 411	12 239	9 710	4 367	6 235	1 076	292	777	51 950
September	17 463	12 301	9 716	4 171	6 323	1 076	272	807	52 234
October	16 929	11 589	9 649	4 261	6 301	1 104	233	833	50 717
November	15 754	11 806	9 650	4 038	5 782	1 099	314	891	49 601
December	16 664	12 212	9 984	4 128	6 340	1 226	350	896	51 477
2003									
January	16 951	12 279	10 348	4 233	6 327	1 102	284	790	51 980
February	17 103	11 484	10 292	4 321	6 065	1 019	330	901	52 018
March	16 670	12 335	11 005	4 728	6 292	1 106	390	765	53 512
April	16 638	11 874	10 927	4 634	6 576	1 098	421	798	52 629
May	17 380	12 330	11 045	4 903	7 014	1 153	483	815	55 358
June	17 897	13 003	11 822	4 876	7 316	1 315	457	814	57 947
July	18 454	12 796	11 898	4 863	7 357	1 364	340	897	57 541
August	18 787	13 167	12 715	4 812	7 178	1 289	379	790	58 741
TREND (b)									
2002									
August	17 242	12 176	9 703	4 427	6 287	1 096	296	822	51 995
September	17 049	12 119	9 668	4 307	6 251	1 105	284	824	51 527
October	16 854	12 039	9 695	4 193	6 200	1 113	280	836	51 131
November	16 693	11 971	9 807	4 133	6 151	1 117	285	850	50 950
December	16 606	11 932	9 982	4 159	6 128	1 112	300	856	51 039
2003									
January	16 607	11 929	10 203	4 259	6 157	1 101	327	849	51 430
February	16 688	11 972	10 448	4 405	6 261	1 094	359	833	52 112
March	16 871	12 068	10 720	4 560	6 441	1 106	389	819	53 073
April	17 128	12 218	11 016	4 694	6 665	1 140	410	814	54 195
May	17 438	12 420	11 337	4 788	6 889	1 191	421	817	55 372
June	17 807	12 650	11 676	4 850	7 096	1 246	422	822	56 558
July	18 186	12 869	12 007	4 888	7 266	1 297	415	828	57 649
August	18 536	13 083	12 309	4 904	7 401	1 339	401	828	58 566

(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)

	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
Month	no.	no.	no.	no.	no.	no.	no.	no.	no.
ORIGINAL (% change from previous month)									
2002									
August	-5.5	-5.6	-7.2	-16.5	-9.5	-0.1	-15.5	-8.1	-7.3
September	-6.5	-8.0	-3.0	-8.2	-6.7	-11.1	-6.2	5.5	-6.3
October	4.8	10.6	11.1	13.2	12.0	17.0	—	13.6	9.2
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	9.3	6.7	11.7	2.8	8.2	9.3	-15.8	16.3	8.4
August	-6.7	-4.9	-5.0	-12.1	-9.4	-4.5	-4.2	-16.5	-6.8
SEASONALLY ADJUSTED (% change from previous month)									
2002									
August	0.5	-1.4	-0.2	-7.3	-2.5	-3.7	-7.3	-1.8	-1.3
September	0.3	0.5	0.1	-4.5	1.4	0.1	-6.8	3.9	0.5
October	-3.1	-5.8	-0.7	2.2	-0.3	2.5	-14.6	3.3	-2.9
November	-6.9	1.9	—	-5.2	-8.2	-0.4	35.1	6.9	-2.2
December	5.8	3.4	3.5	2.2	9.7	11.5	11.3	0.6	3.8
2003									
January	1.7	0.5	3.6	2.6	-0.2	-10.1	-18.8	-11.8	1.0
February	0.9	-6.5	-0.5	2.1	-4.1	-7.6	16.2	14.1	0.1
March	-2.5	7.4	6.9	9.4	3.7	8.6	18.1	-15.2	2.9
April	-0.2	-3.7	-0.7	-2.0	4.5	-0.8	7.9	4.3	-1.7
May	4.5	3.8	1.1	5.8	6.7	5.0	14.8	2.1	5.2
June	3.0	5.5	7.0	-0.5	4.3	14.1	-5.4	-0.1	4.7
July	3.1	-1.6	0.6	-0.3	0.6	3.7	-25.5	10.3	-0.7
August	1.8	2.9	6.9	-1.1	-2.4	-5.5	11.5	-11.9	2.1
TREND (% change from previous month)									
2002									
August	-0.8	0.1	-0.6	-1.6	—	0.8	-5.1	-0.8	-0.6
September	-1.1	-0.5	-0.4	-2.7	-0.6	0.9	-4.0	0.3	-0.9
October	-1.1	-0.7	0.3	-2.7	-0.8	0.7	-1.6	1.5	-0.8
November	-1.0	-0.6	1.2	-1.4	-0.8	0.3	2.0	1.6	-0.4
December	-0.5	-0.3	1.8	0.6	-0.4	-0.4	5.4	0.8	0.2
2003									
January	—	—	2.2	2.4	0.5	-1.0	8.8	-0.9	0.8
February	0.5	0.4	2.4	3.4	1.7	-0.6	9.9	-1.8	1.3
March	1.1	0.8	2.6	3.5	2.9	1.0	8.4	-1.6	1.8
April	1.5	1.2	2.8	2.9	3.5	3.1	5.4	-0.7	2.1
May	1.8	1.6	2.9	2.0	3.4	4.5	2.7	0.3	2.2
June	2.1	1.9	3.0	1.3	3.0	4.6	0.1	0.7	2.1
July	2.1	1.7	2.8	0.8	2.4	4.1	-1.6	0.7	1.9
August	1.9	1.7	2.5	0.3	1.9	3.2	-3.3	—	1.6

— nil or rounded to zero (including null cells)

(a) Excludes alterations and additions. Includes refinancing.

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

Month	New South Wales	Victoria	Queensland	South Australia	Western Australia	Tasmania	Northern Territory	Australian Capital Territory	Total
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
ORIGINAL									
2002									
August	3 481	2 002	1 401	476	828	98	32	126	8 444
September	3 317	1 886	1 381	454	768	91	31	129	8 058
October	3 498	2 051	1 558	517	870	105	30	154	8 782
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	4 408	2 504	2 208	661	1 156	142	56	175	11 310
August	4 160	2 375	2 086	604	1 038	135	53	151	10 602
SEASONALLY ADJUSTED (b)									
2002									
August	3 505	2 027	1 423	508	852	94	33	133	8 463
September	3 517	2 001	1 441	493	854	96	32	139	8 584
October	3 351	1 949	1 471	517	855	103	27	139	8 537
November	3 264	1 933	1 468	494	821	98	45	149	8 328
December	3 418	2 070	1 505	496	874	111	46	138	8 618
2003									
January	3 435	2 069	1 606	517	890	112	38	154	8 730
February	3 495	1 897	1 610	522	901	99	44	165	8 828
March	3 485	2 016	1 711	600	888	106	52	142	9 052
April	3 642	2 123	1 789	593	935	116	50	156	9 376
May	3 800	2 162	1 842	650	1 035	114	58	153	9 770
June	3 870	2 310	1 981	647	1 078	135	60	168	10 305
July	4 191	2 449	2 077	638	1 096	138	55	177	10 651
August	4 263	2 428	2 171	660	1 077	134	60	157	10 921
TREND (b)									
2002									
August	3 437	1 972	1 420	504	845	96	33	139	8 433
September	3 425	1 988	1 435	503	848	98	33	139	8 468
October	3 403	1 993	1 456	500	851	100	35	140	8 490
November	3 383	1 991	1 486	499	854	103	38	143	8 518
December	3 382	1 989	1 525	506	860	104	40	147	8 574
2003									
January	3 406	1 990	1 573	522	872	105	43	150	8 679
February	3 460	2 007	1 632	546	894	107	46	152	8 856
March	3 550	2 049	1 705	574	927	110	49	154	9 124
April	3 666	2 115	1 789	602	966	115	52	157	9 461
May	3 798	2 197	1 879	625	1 007	121	55	160	9 827
June	3 939	2 286	1 969	642	1 045	127	57	162	10 194
July	4 075	2 368	2 053	655	1 078	133	59	165	10 533
August	4 195	2 443	2 126	663	1 104	138	60	166	10 820

(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>
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
2002							
August	6 460	1 984	364	8 808	7 537	888	18 376
September	6 153	1 905	367	8 425	7 388	816	18 601
October	6 698	2 084	457	9 239	7 987	1 005	18 827
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	8 471	2 839	525	11 835	9 937	897	21 650
August	7 886	2 716	527	11 129	9 536	795	22 428

(a) This figure sometimes reflects a rebasing of the data by one or more lenders, without adjustment to earlier periods' commitments advanced or cancelled.

HOUSING FINANCE COMMITMENTS (a), First Home Buyers & Fixed Loans: Australia, Original

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							
August	9 099	17.5	155.2	3 295	6.3	137.4	162.1
September	8 143	16.7	157.8	2 999	6.1	141.5	165.0
October	8 852	16.6	158.1	3 646	6.8	143.7	164.7
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	8 430	13.6	180.6	4 461	7.2	157.7	182.9
August	7 924	13.8	186.7	4 933	8.6	163.5	184.0

(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	1 088	520	16 875	18 483	5 644	12 839
Victoria	1 602	437	10 993	13 032	4 198	8 834
Queensland	1 395	318	10 487	12 200	3 205	8 995
South Australia	447	115	3 933	4 495	1 312	3 183
Western Australia	1 098	119	5 781	6 998	1 792	5 206
Tasmania	109	23	1 171	1 303	342	961
Northern Territory	27	12	302	341	89	252
Australian Capital Territory	45	40	688	773	171	602
Total	5 811	1 584	50 230	57 625	16 753	40 872
VALUE (\$m)						
New South Wales	236	131	3 793	4 160	1 149	3 011
Victoria	294	89	1 992	2 375	646	1 729
Queensland	246	64	1 776	2 086	477	1 609
South Australia	73	14	517	604	156	449
Western Australia	183	19	836	1 038	218	820
Tasmania	15	4	117	135	30	105
Northern Territory	5	3	46	53	12	41
Australian Capital Territory	11	9	131	151	29	122
Total	1 062	333	9 207	10 602	2 716	7 886
AVERAGE LOAN SIZE (\$'000)						
New South Wales	216.6	251.5	224.8	225.1	203.5	234.5
Victoria	183.7	203.7	181.2	182.3	154.0	195.7
Queensland	176.6	202.5	169.3	171.0	148.9	178.9
South Australia	162.9	125.8	131.5	134.5	118.7	141.0
Western Australia	166.3	161.5	144.6	148.3	121.5	157.5
Tasmania	134.9	162.4	99.5	103.6	87.5	109.3
Northern Territory	181.8	211.0	150.9	155.5	129.9	164.5
Australian Capital Territory	241.8	223.1	190.5	195.2	167.5	203.0
Total	182.8	210.3	183.3	184.0	162.1	193.0

(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 21 in the Explanatory Notes.

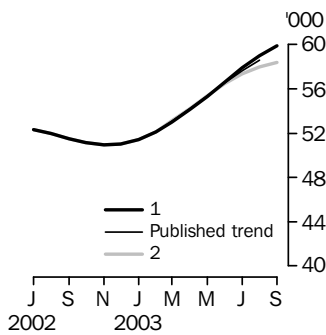
The graph below presents the effect of two possible scenarios on the previous trend estimates:

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

2 The September 2003 seasonally adjusted estimate of number of dwellings financed is lower than the August 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.	%	<i>(1) rises by 4% on this month</i>		<i>(2) falls by 4% on this month</i>	
			no.	%	no.	%
March 2003	53 073	1.8	53 028	1.8	53 096	1.9
April 2003	54 195	2.1	54 133	2.1	54 253	2.2
May 2003	55 372	2.2	55 344	2.2	55 404	2.1
June 2003	56 558	2.1	56 633	2.3	56 475	1.9
July 2003	57 649	1.9	57 882	2.2	57 360	1.6
August 2003	58 566	1.6	58 997	1.9	58 014	1.1
September 2003	na	na	59 890	1.5	58 406	0.7

na not available

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 four lender types: Banks, Non-Banks, Permanent Building Societies and Wholesale Lenders n.e.c. (not elsewhere classified).
- 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

EXPLANATORY NOTES *continued*

SEASONAL ADJUSTMENT

continued

underlying movement in housing finance commitments. (See paragraphs 20 and 21 for further information on trend estimates).

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.

TREND ESTIMATES

20 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>.

21 While the smoothing technique described in paragraph 20 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

22 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

23 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 in Appendix, page 20. For more information, contact the ABS National Information and Referral Service on 1300 135 070.

RELATED RELEASES

24 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)
- *Annual Statistics for Financial Institutions* (cat. no. 5661.0.40.001)
- *Buildings Approvals, Australia* (cat. no. 8731.0)
- *Building Activity, Australia: Dwelling Unit Commencement, Preliminary* (cat. no. 8750.0)

25 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>>.

26 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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