

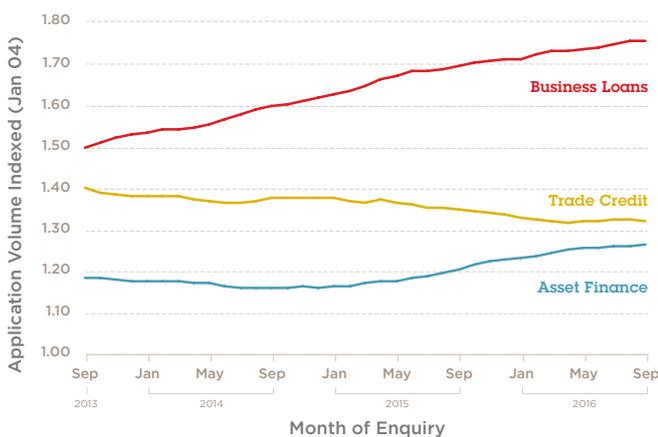
VEDA QUARTERLY BUSINESS CREDIT DEMAND INDEX

July - September 2016

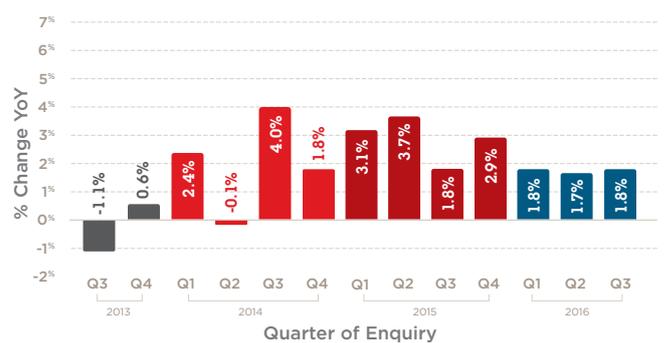


Post-election business credit demand boost short-lived

Commercial Credit Demand Index by Type
12 MONTH ROLLING AVERAGE



Commercial Credit Demand Index
QUARTERLY YOY%



* Veda recomputes the entire index over its lifetime every quarter so there will be a slight adjustment to the above historical figures. Veda normalises the data for a like-for-like comparison.

Overall business credit applications **rose**



Growth in asset finance



&

business loan applications



Trade credit applications remained flat



(VS SEPTEMBER QUARTER 2015)

SYDNEY, AUSTRALIA:
WEDNESDAY, 12 OCTOBER 2016

Released today, the **Veda Quarterly Business Credit Demand Index** - measuring applications for business loans, trade credit and asset finance - **rose** at an annual rate of

+1.8%

IN THE SEPTEMBER 2016 QUARTER.

The rate of growth in business credit demand suggests any post-election optimism felt in the business community was short-lived.

Business loan application **growth**



drove the outcome of the Index, released today by Veda, Australia and New Zealand's leading provider of consumer and commercial data and insights and a wholly-owned subsidiary of Equifax.

Asset finance applications were also positive

but the growth rate slowed to **+2.3%**

from a rate of

+6.7%

in the same period the previous year.



The Veda **Business Credit Demand Index** has historically proven to be a lead indicator of how the overall economy is performing. The behaviour seen in the annual rate of **growth in business credit applications** illustrated by Veda's data suggests a steady economic outlook.

Business loan application growth was the **strongest performer** in the September quarter. The increase was driven primarily by the **considerable boost** in mortgage applications, which **rose 14.8%** compared to the same period in 2015.

“The jump in mortgage application numbers this quarter suggests a return to confidence around investment in property, by both local and foreign investors.”

Neil Shilbury
Veda's General Manager,
Commercial Risk



The latest credit data showed continued disparity in business credit demand between

the mining jurisdictions

▼

-0.7%



and non-mining jurisdictions

▲

+3.0%

There were, however, early signs of recovery among the mining states, with Queensland leading the way. This positive activity suggests the worst of the post-mining downturn may have passed.



Business credit applications

Growth in **overall business credit applications was steady.**

▲ +1.8%

IN THE SEPTEMBER QUARTER

Demand for business credit was **once again strongest** in the ACT, followed by Tasmania, Victoria, and NSW.

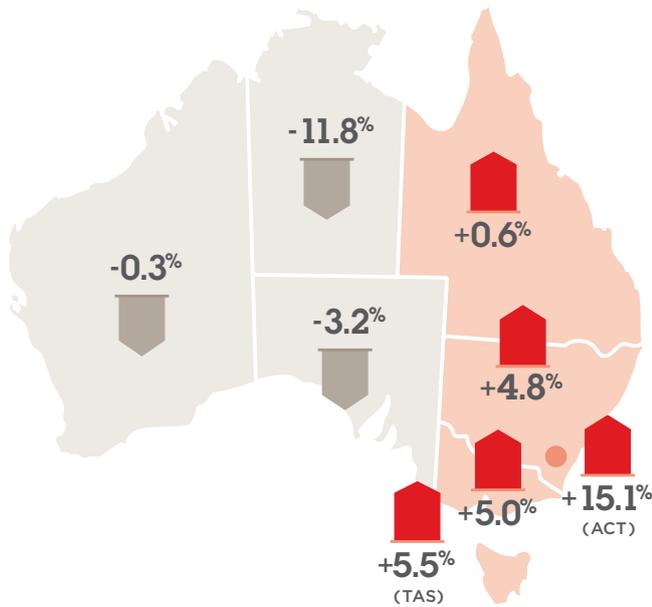
+12.2%	+4.0%	+3.6%	+2.7%
			

Growth rate in the key mining jurisdiction of Queensland reflected an **improved business environment**. However, WA, the NT and SA continued to show a decline in business credit applications.

+0.3%	-2.1%	-7.8%	-1.0%
			

 **Business loan applications**

Business loan application growth **lifted**  **+3.1%** IN THE SEPTEMBER QUARTER



Of the non-mining jurisdictions, the strongest growth by a significant margin was seen in the ACT. Tasmania, Victoria and NSW all experienced growth, while SA recorded a fall.

As expected, the **mining jurisdictions were weaker than the non-mining jurisdictions**. Queensland was the strongest performer, trailed by WA and the NT, which both showed falls.

Within business loans:



Lending proposals

+5.3% eased again



Mortgage applications

+14.8% picked up strongly



Overdrafts

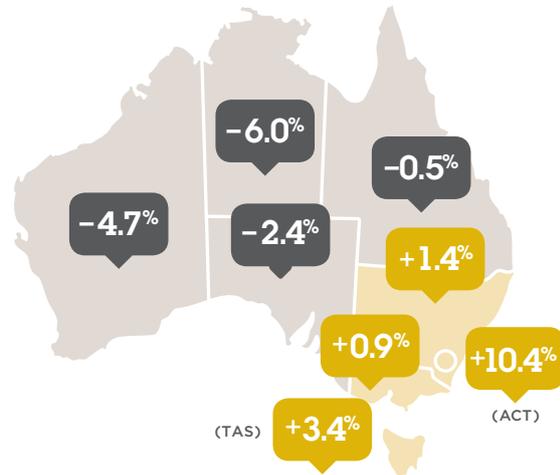
+1.2% also increased

IN THE SEPTEMBER QUARTER

Trade credit applications

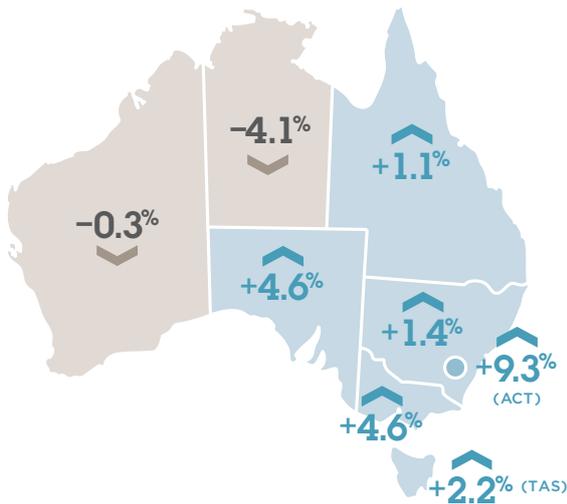
Trade credit applications were flat **→ +0.0%** IN THE SEPTEMBER QUARTER

Growth in trade credit applications was recorded in the ACT, Tasmania, NSW, and Victoria. Queensland, SA, WA, and the NT showed **falls** in trade credit applications.



Asset finance applications

Growth in **asset finance applications** eased slightly **→ +2.3%** IN THE SEPTEMBER QUARTER



Across the **non-mining jurisdictions**, growth in asset finance applications was strongest in the ACT, followed by Victoria, SA, Tasmania, and NSW. In the **mining jurisdictions**, Queensland showed the strongest demand for asset finance, while applications fell in both WA and the NT.

“Queensland’s **strong performance** across the board, compared to the other mining jurisdictions, indicates the state is emerging from the post-mining boom downturn. In particular, we have seen a notable **return to investment** in asset finance in Queensland.”



Neil Shilbury
Veda's General Manager,
Commercial Risk

Applications for hire purchase **fell again** in the September quarter, and continued to weigh heavily on the overall result for asset finance applications.

-15.9%



Growth for commercial rental and motor vehicle loans eased this quarter, while bill of sale and leasing applications increased.



Motor vehicle loans

+11.4%



Leasing

+12.5%



Commercial rental

+7.1%



Bill of sale

+25.8%

IN SEPTEMBER QUARTER 2016

For more information
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About Veda

Veda is a data analytics company and the leading provider of credit information and analysis in Australia and New Zealand. From its core credit bureau business established in 1967, Veda has expanded to deliver a suite of credit and other analytical products targeted to consumers and specific industry segments.

Veda's customers use data intelligence provided by Veda to make decisions on credit risk, verify identity and employee background, reduce identity theft and fraud, and undertake digital marketing strategies.

In February 2016, Equifax Inc., a global leader in information solutions, closed its acquisition of Veda. Equifax powers the financial future of individuals and organisations around the world, using its strength of unique trusted data, technology and innovative analytics. Together, Veda and Equifax offer their customers world-leading insights and knowledge to help them make informed decisions.

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