


# APRA Quarterly Data – Interest Only Borrowers leaving

December Qtr stats to be released early March



**Table 1c ADIs' new housing loan approvals**  
(Excludes 'other ADIs')

(\$ million, domestic or licensed books<sup>a</sup>)

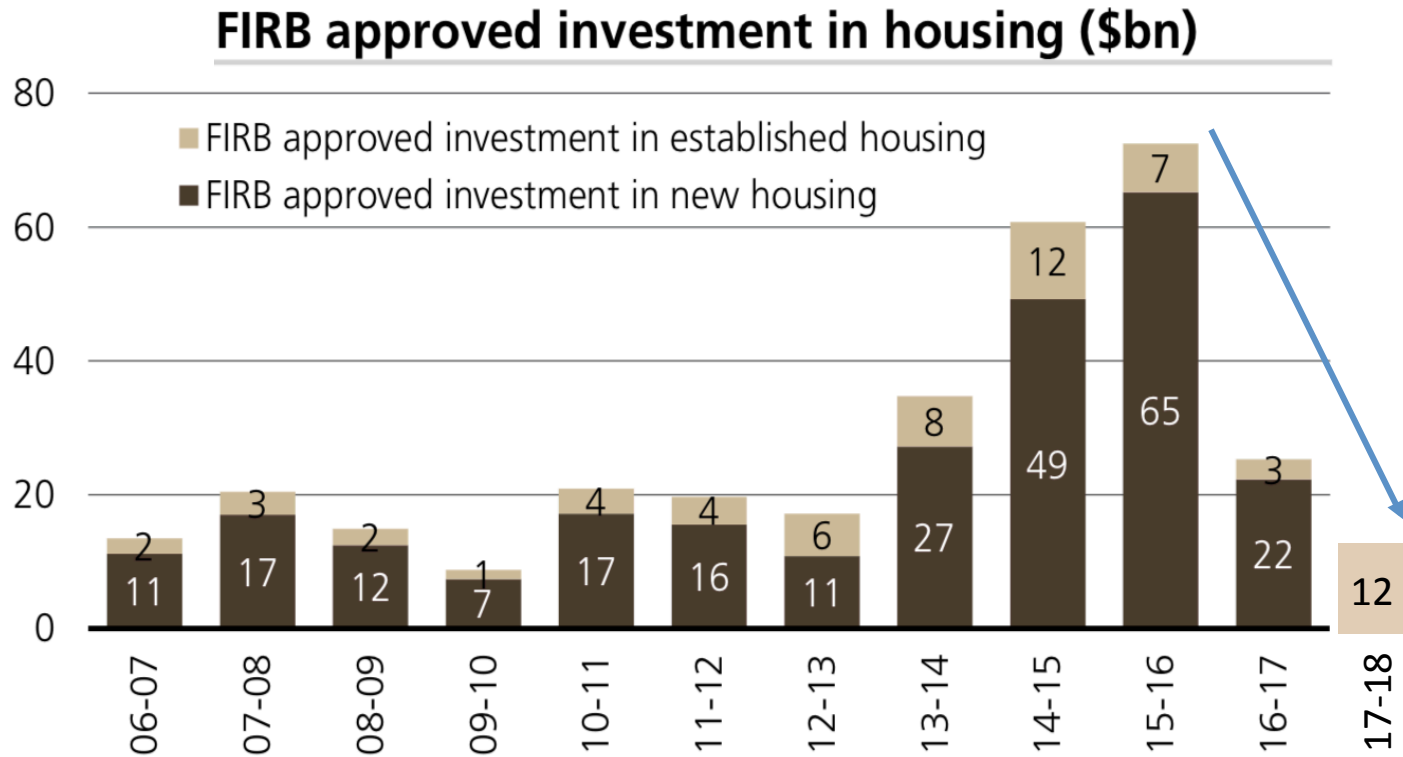
	Quarter end						
	Mar 2017	Jun 2017	Sep 2017	Dec 2017	Mar 2018	Jun 2018	Sep 2018
<b>ADIs with greater than \$1 bn of term loans</b>							
<b>New residential term loans to households approved</b>							
Owner-occupied	58,009	64,601	65,371	69,691	60,270	65,247	62,335
Investment	31,248	34,084	30,991	30,638	26,482	29,396	26,884
<b>Total new residential term loans to households approved</b>	<b>89,257</b>	<b>98,686</b>	<b>96,362</b>	<b>100,329</b>	<b>86,752</b>	<b>94,642</b>	<b>89,219</b>
<i>of which:</i> <sup>b</sup>							
Low-documentation loans approved	377	436	341	311	225	250	196
Interest-only loans approved	32,365	30,102	16,600	15,272	13,626	15,704	14,407
Other non-standard loans approved	142	137	115	119	114	94	98
Third-party originated loans approved	43,178	49,810	48,981	51,934	43,151	47,197	44,612
Loans approved outside serviceability	1,464	2,072	4,485	5,234	4,299	5,096	4,547
<b>New residential term loan approvals by loan-to-valuation ratio (LVR)</b>							
<i>of which:</i>							
Loans approved LVR≤60%	22,813	25,091	25,785	27,646	24,012	25,973	24,978
Loans approved 60%<LVR≤80%	46,879	52,633	50,372	51,780	45,677	49,972	45,608
Loans approved 80%<LVR≤90%	12,677	14,131	13,541	13,694	11,278	12,546	12,860
Loans approved LVR>90%	6,889	6,831	6,665	7,209	5,786	6,152	5,772
Number of entities	31	32	32	33	34	34	35

<sup>a</sup> Domestic books for banks, licensed books for credit unions and building societies

<sup>b</sup> Loan categories are neither exhaustive nor mutually exclusive

-55.5%

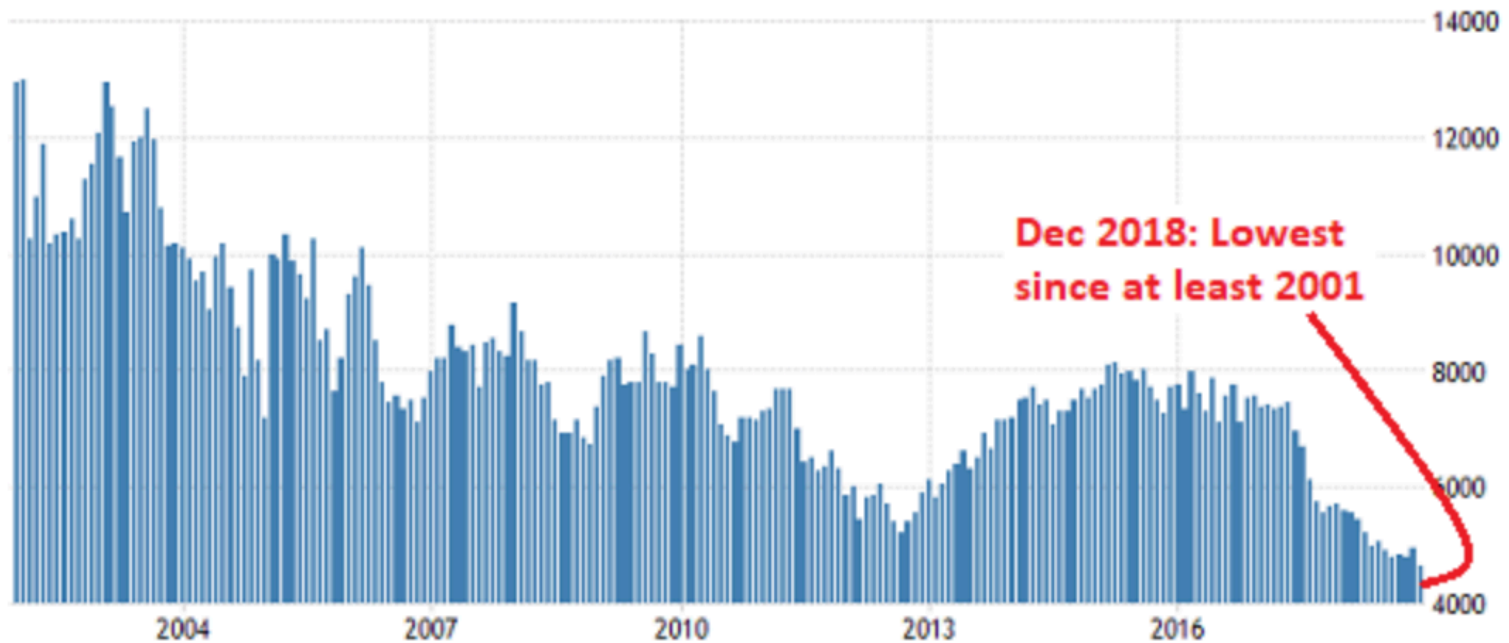
## DECLINING DEMAND – Foreign Buyers Leaving



Source: FIRB, UBS

New Home Buyers leaving...(AV Jennings, VillaWorld)

## Housing Market Spirals Down Sales of New Houses in Australia, monthly



Source: TradingEconomics.com, Housing Industry Association (HIA)

# The real decline in residential building activity is yet to come



	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19
Other retailing n.e.c.	4.5%	4.8%	5.0%	5.5%	4.6%	6.0%	7.6%	9.1%	7.9%	4.4%	7.8%	6.4%
Pharmaceutical, cosmetic and toiletry goods retailing	4.8%	1.1%	1.9%	0.2%	1.8%	3.0%	3.4%	4.4%	5.4%	4.6%	5.1%	5.3%
Supermarket and grocery stores	2.2%	3.3%	3.8%	3.3%	4.0%	4.0%	4.2%	4.2%	3.9%	4.5%	4.6%	4.5%
Food retailing	2.7%	4.1%	3.6%	3.7%	4.2%	4.0%	4.4%	4.0%	3.8%	4.1%	4.0%	4.1%
Other retailing	3.4%	1.6%	1.9%	1.6%	1.4%	2.9%	3.5%	4.7%	5.2%	2.7%	4.3%	3.9%
Footwear and other personal accessory retailing	1.5%	1.8%	4.7%	2.8%	0.9%	-0.5%	3.0%	0.8%	3.9%	5.8%	0.3%	3.4%
Takeaway food services	1.9%	1.4%	1.2%	1.2%	2.9%	3.9%	4.8%	3.8%	2.4%	0.7%	3.5%	3.3%
Cafes, restaurants and takeaway food services	3.5%	3.0%	3.3%	1.5%	2.3%	3.0%	5.1%	4.6%	1.9%	1.3%	2.9%	3.2%
Cafes, restaurants and catering services	4.6%	4.1%	4.9%	1.7%	1.9%	2.4%	5.3%	5.2%	1.6%	1.8%	2.6%	3.0%
Hardware, building and garden supplies retailing	4.6%	5.1%	5.3%	2.3%	1.0%	1.9%	3.6%	3.4%	2.6%	2.5%	1.9%	2.9%
Liquor retailing	5.5%	7.6%	4.2%	5.8%	4.6%	2.7%	4.2%	1.5%	2.3%	0.2%	-0.7%	2.9%
Clothing, footwear and personal accessory retailing	4.8%	3.5%	2.1%	3.9%	5.3%	2.1%	3.7%	3.4%	5.2%	5.6%	2.2%	2.3%
Clothing retailing	6.6%	4.4%	0.8%	4.4%	7.5%	3.4%	4.0%	4.7%	5.9%	5.4%	3.2%	1.7%
Other specialised food retailing	4.2%	9.7%	0.5%	5.0%	6.1%	5.9%	7.1%	6.0%	4.4%	3.9%	3.1%	1.0%
Household goods retailing	3.2%	2.9%	3.1%	0.9%	0.6%	0.7%	2.1%	2.8%	3.5%	0.1%	-0.5%	-0.7%
Department stores	0.5%	0.6%	-3.6%	2.5%	1.8%	0.5%	1.9%	-0.1%	-0.5%	1.4%	0.4%	-1.4%
Furniture, floor coverings, houseware and textile goods	2.8%	3.4%	1.7%	-0.1%	-2.6%	0.1%	1.5%	1.3%	4.5%	-0.2%	-0.2%	-2.5%
Electrical and electronic goods retailing	2.2%	0.6%	2.1%	0.3%	2.6%	0.0%	1.3%	3.4%	3.7%	-1.7%	-2.8%	-2.6%
Other recreational goods retailing	2.9%	0.8%	-4.1%	-0.6%	-6.3%	-0.4%	-6.5%	-3.2%	2.4%	-3.9%	-4.8%	-3.9%
Newspaper and book retailing	-9.6%	-12.4%	-5.3%	-9.2%	-6.2%	-10.3%	-4.8%	-5.8%	-7.9%	-7.4%	-6.2%	-5.6%
<b>Total (Industry)</b>	<b>3.0%</b>	<b>3.1%</b>	<b>2.7%</b>	<b>2.5%</b>	<b>2.9%</b>	<b>2.8%</b>	<b>3.8%</b>	<b>3.7%</b>	<b>3.5%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>2.7%</b>