

## Summary

The number of housing finance commitments in the Territory has increased since the low recorded in August 2008. This has been supported by the Commonwealth's First Home Owners Boost (FHOB), the Territory Government's Buildstart program and low interest rates.

## Number of Housing Finance Commitments

	NT	AUS
<b>Change in the month</b> (s.a.)	↓8.2%	↓0.6%
<b>Year on year</b> (original)	↑9.1%	↑0.5%

In August 2009, there were 480 housing finance commitments in the Territory, a decrease of 8.2% from the previous month (chart 1). The decrease was reflected in both non-first homebuyers (-17.7%) and first home buyers (-20.2%).

The number of housing finance commitments in August 2009 was 33% higher than the low recorded a year earlier. This may be attributed to historically low interest rates over this period, the temporary boost to the FHOG and the Buildstart program.

In the year to August 2009, housing finance commitments increased by 9.1% in the Territory, this was the second highest increase behind the Australian Capital Territory (24.3%) and higher than the national average (0.5%) (chart 2).

## Value of Housing Finance Commitments

	NT	AUS
<b>Change in the month</b> (s.a.)	↓4.3%	↓1.7%
<b>Year on year</b> (original)	↑36.7%	↑9.6%

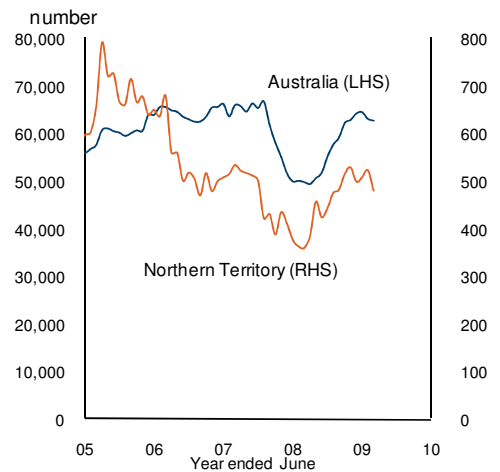
In August 2009, the value of housing finance commitments in the Territory decreased by 4.3% from the previous month, compared to a 1.7% decrease nationally. In the year to August 2009, the value of housing finance commitments increased in the Territory and Australia by 36.7% and 9.6% respectively. The average loan size in the Territory has increased by 23.1% to \$293 500 compared with August 2008, while nationally the increase was 7.2%.

## First Home Owners

	NT	AUS
<b>No. Finance Commitments</b>		
<b>Change in the month</b> (original)	↓20.2%	↓13.1%
<b>Year on year</b> (original)	↑31.9%	↑42.8%

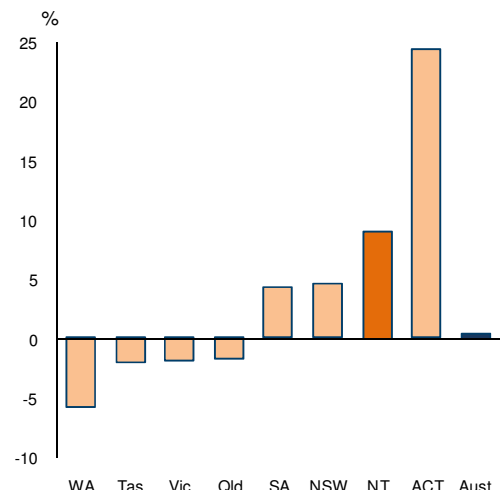
In the year to August 2009, first home buyer commitments in the Territory have increased by 31.9% (in original terms) supported by Commonwealth's FHOB and low interest rates. The reduction in the level of the FHOB (from \$7000 to \$3500 from 1 October 2009), and the recent announcement by the Reserve Bank Board to increase the cash rate by 25 basis points to 3.25% is likely to impact on housing finance commitments going forward.

**Chart 1: Housing Finance Commitments**  
(number, seasonally adjusted)



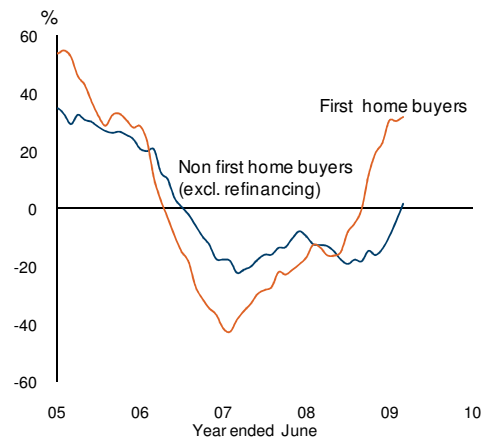
Source: ABS Cat. No. 5609.0

**Chart 2: Housing Finance Commitments**  
(number, year on year percentage change)



Source: ABS Cat. No. 5609.0

**Chart 3: Housing Finance Commitments**  
(number, year on year percentage change)



Source: ABS Cat. No. 5609.0

## Housing Finance for Owner Occupation

	August		change		
	month	year to date	monthly <sup>1</sup>	annual <sup>2</sup>	year on year <sup>3</sup>
<b>Northern Territory</b>					
number					
<i>original</i>	422	5 706	-18.2%	27.1%	9.1%
- <i>excl refinancing</i>	332	4 395	-14.2%	30.7%	8.6%
<i>seasonally adj<sup>4</sup></i>	480	5 720	-8.2%	33.3%	9.2%
<i>trend<sup>5</sup></i>	502	5 702	-1.0%	31.1%	
value (\$M)					
<i>original</i>	124	1 538	-12.4%	56.4%	36.7%
- <i>excl refinancing</i>	99	1 244	-11.5%	51.0%	37.3%
<i>seasonally adj<sup>4</sup></i>	134	1 537	-4.3%	59.7%	36.1%
<i>trend<sup>5</sup></i>	137	1 534	-1.3%	46.6%	
<b>Australia</b>					
number					
<i>original</i>	59 508	704 043	-11.3%	24.9%	0.5%
- <i>excl refinancing</i>	43 873	502 414	-10.7%	38.6%	5.0%
<i>seasonally adj<sup>4</sup></i>	62 718	703 491	-0.6%	25.8%	-0.3%
<i>trend<sup>5</sup></i>	63 820	704 063	-0.1%	29.3%	
value (\$M)					
<i>original</i>	15 866	183 687	-11.3%	33.9%	9.6%
- <i>excl refinancing</i>	12 180	136 382	-10.6%	47.1%	12.8%
<i>seasonally adj<sup>4</sup></i>	16 543	183 405	-1.7%	33.8%	8.7%
<i>trend<sup>5</sup></i>	16 965	183 591	-0.2%	37.7%	

<sup>1</sup> compares the latest month with the previous month

<sup>2</sup> compares the latest month with the same month last year

<sup>3</sup> compares the 12 months up to and including the latest month with the previous 12 month period

<sup>4</sup> seasonal adjustment removes from a series influences that are systematic and calendar related.

<sup>5</sup> trend series represents the underlying series remaining after removing the seasonal effects from the original data and smoothing out the irregular fluctuations.

Caution is advised when using monthly data for the Territory, which is often derived from small samples and highly volatile.

Source: ABS Cat. No. 5609.0

Although all due care has been exercised in the preparation of this material, no responsibility is accepted for any errors or omission.

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