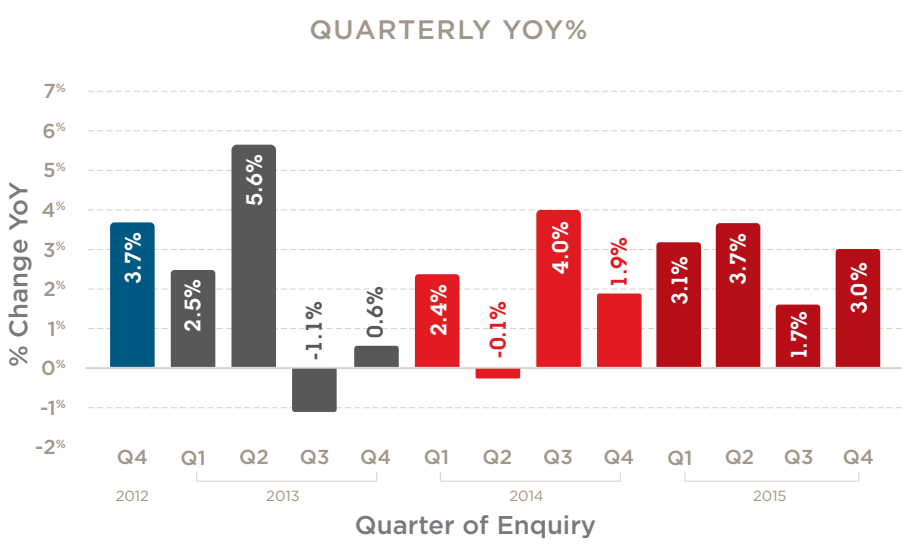
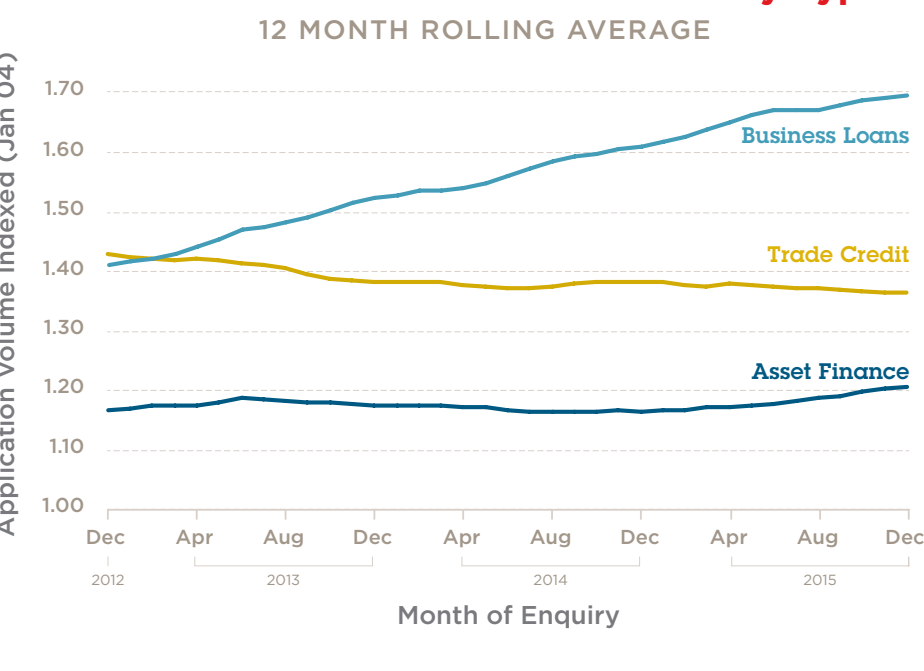


VEDA QUARTERLY BUSINESS CREDIT DEMAND INDEX

October – December 2015



Growth continued in business credit for December quarter



* 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

+3.0%

(VS DECEMBER QUARTER 2014)

asset finance and business loan applications improved
trade credit weakened

(VS DECEMBER QUARTER 2014)

+8.7%

+4.1%

-2.6%

Growth in asset finance and business loan applications compensated for ongoing contraction in trade credit

SYDNEY, AUSTRALIA: 21 JANUARY 2016

The **Veda Quarterly Business Credit Demand Index**, measuring applications for business loans, trade credit and asset finance rose by:

+3.0%

Asset finance applications grew **+8.7%**

business loans also rose **+4.1%**

and trade credit applications continued to decline **-2.6%**

IN THE DECEMBER 2015 QUARTER.

IN THE DECEMBER QUARTER 2015 COMPARED TO THE SAME PERIOD IN 2014.

veda The **Veda Business Credit Demand Index** has historically proven to be a lead indicator of how the overall economy is performing. Veda's data continues to indicate **solid growth in credit demand for business**, with overall business credit applications increasing from an annual growth rate of 1.7% in the September quarter 2015.

Given the historical relationship between the Veda Business Credit Demand Index and growth in real GDP, Veda's latest business credit data for the December quarter indicates **growth in the Australian economy is slightly stronger than the annual growth rate of 2.5% (Australian Bureau of Statistics) recorded in the September quarter.**

Overall business credit applications increased in the December 2015 quarter: **+3.0%**

The improved conditions were seen across both mining and non-mining jurisdictions, although non-mining states continued to display stronger demand for business credit.

+9.4% ACT

+7.1% NSW

+3.2% VIC

+1.5% SA

+0.1% WA

The ACT and NSW were the states that saw the strongest growth in the December quarter, followed by Victoria, SA and WA.

Queensland saw a moderate decline in demand, while NT and Tasmania experienced significant weakening of business credit demand.

-0.5% QLD

-20.0% NT

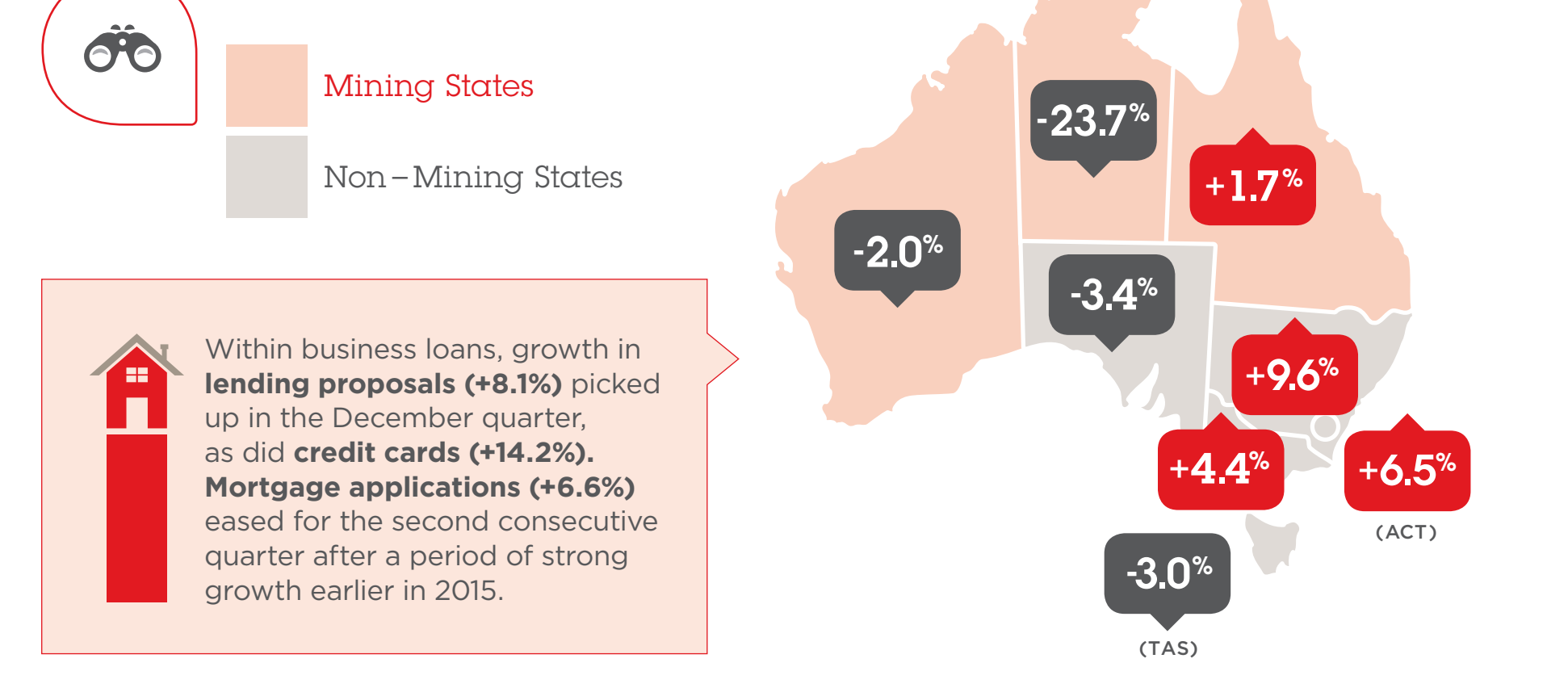
-3.6% TAS

Paul McFadden
Veda's General Manager, Commercial Risk and New Markets

"The growth in business credit demand in the December quarter is a positive sign, despite recent instability in global equity markets."

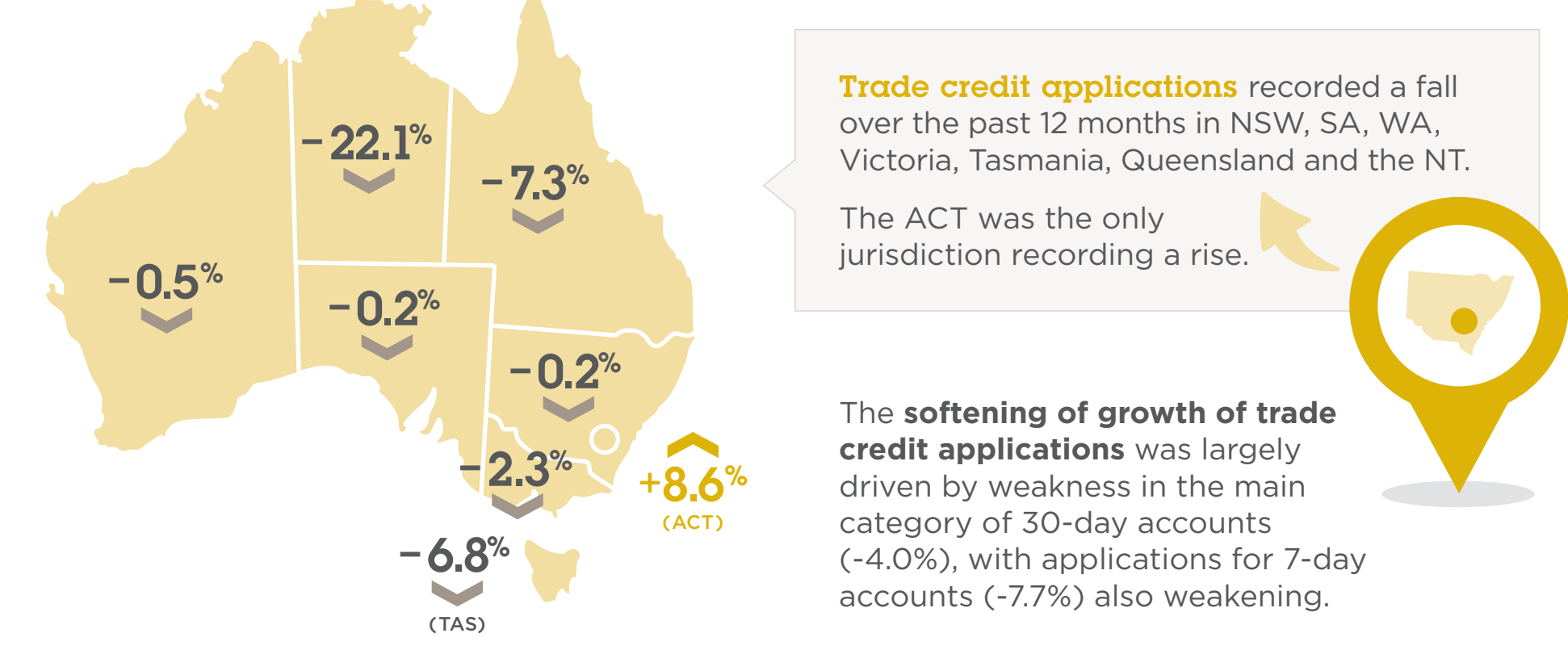
Business loan applications

Business loan applications picked up in the December quarter reflecting an improvement across all states. **+4.1%**



Trade credit applications

Trade credit applications fell again in the December quarter **-2.6%**



Asset finance applications

Asset finance applications grew in the December quarter **+8.7%**

This represented an improvement in the annual rate of growth for asset finance applications from **+6.9%** in the September quarter.

The Northern Territory was the only jurisdiction that still recorded a fall over the past year.

The December quarter saw the mining jurisdictions returning to positive growth for the first time after a sustained fall since 2013.

The ACT, NSW, SA, and Victoria particularly strong growth in asset finance applications, followed by Queensland, WA and Tasmania.

The strength in asset finance in the December quarter was led by personal loans (+12.7%), with leasing applications (+7.9%) also picking up. Applications for hire purchase (+10.4%) eased in the December quarter but remained strong.

The strong performance of asset finance for the second consecutive quarter suggests that the Federal Government's budget incentives for business have gained traction, and are having a positive impact on business credit demand.

"Asset finance and business loans have both grown and are traditionally used for business investment, while trade credit, which continued to decline this quarter, is often used to cover current trading and cash flow management."

Growth in business loans and asset finance also suggests the value of credit being applied for is increasing. The volume and value of business loans (typically \$100,000 - \$200,000) and asset finance applications (typically \$40,000 - \$60,000) more than compensates for the contraction in trade credit applications (typically \$5,000 - \$10,000)."

Paul McFadden
Veda's General Manager, Commercial Risk and New Markets

State/Territory	% Change
ACT	+15.0%
NSW	+12.3%
VIC	+12.1%
SA	+5.9%
WA	+4.6%
TAS	+0.2%
NT	-6.3%
QLD	-0.5%
SA	-0.2%
WA	-0.2%
TAS	-3.6%

For more information please contact: **Philippa Hill** at Veda
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About Veda

Veda (ASX:VED) 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 specific industry segments.

Veda is built on the largest, most comprehensive and current data source in Australia and New Zealand with information on around 20 million credit active people and 5.7 million commercial entities. The breadth and depth of our data, and the knowledge it delivers help customers take a proactive and informed approach in making decisions.

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.

www.veda.com.au

NOTE TO EDITORS The *Veda Quarterly Business Credit Demand Index* measures the volume of credit applications that go through the Veda Commercial Bureau by credit providers such as financial institutions and major corporations in Australia. Based on this it is a good measure of intentions to acquire credit by businesses. This differs to other market measures published by the RBA/ABS, which measure new and cumulative dollar amounts that are actually approved by financial institutions.

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