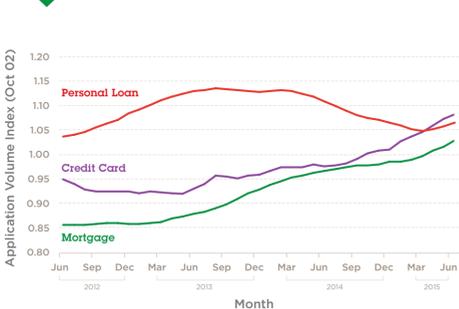


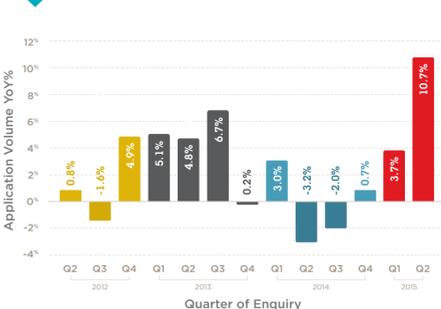


## FINANCIAL YEAR ENDS WITH STRONG CREDIT DEMAND

### Consumer Credit applications 12 MONTH ROLLING AVERAGE



### Consumer Credit Applications QUARTERLY YOY%



### CDI

Overall consumer credit demand grew **+10.7%** (VS JUNE QUARTER 2014).



Credit card applications up **+15.0%** (VS JUNE QUARTER 2014).



Personal loan applications rise **+6.4%** (VS JUNE QUARTER 2014).



Growth in mortgage applications picked up nationally to **+12.5%** (VS JUNE QUARTER 2014).



SYDNEY, AUSTRALIA: 28 JULY 2015

The *Veda Quarterly Consumer Credit Demand Index*, measuring the volume of credit card and personal loan applications, closed the financial year strongly in consumer credit demand

with a lift of **+10.7%** VS JUNE QUARTER 2014.

Demand for credit cards for the quarter, was up by **+15.0%**

Demand for personal loans, rise by **+6.4%** VS JUNE QUARTER 2014.

The annual growth rate has been **rising steadily** for 12 months, peaking in the June quarter

Angus Luffman, Veda's General Manager of Consumer Risk, said the high demand for credit cards could be attributed to several factors.

"The continued high level of campaign activity on the part of major card issuers along with the benefits of product innovation, particularly contactless payments, is driving the applications for cards as consumers seek out the product that most suits their needs."

"While the number of payments made using credit cards has been rising strongly, repayments on credit cards have also been strong, with credit card balances accruing interest still showing a fall over the past year. Consumers remain cautious about running up credit card debt."

"The RBA's latest data shows the number of credit card accounts rose 1.9% and the number of purchases per account grew by 7% in the March quarter compared with the same period in 2014. This is consistent with previous RBA data that shows while the number of purchases per account is growing, the average value of transactions per account is falling."

Angus Luffman  
Veda's General Manager of Consumer Risk

The stronger personal loan applications data coincides with a stronger household goods retailing environment as well as a pick-up in car sales.

Car sales had a good month in June, with annual growth of 4.0%, up from 1.0% in May. However, further falls in the Australian dollar in recent months may continue to place upward pressure on car prices.

veda applied intelligence The *Veda Quarterly Consumer Credit Demand Index* provides an early indication of movements in consumer spending and retail sales.

### CREDIT CARD APPLICATION

Growth in credit card applications was up **+15.0%** IN THE JUNE QUARTER.

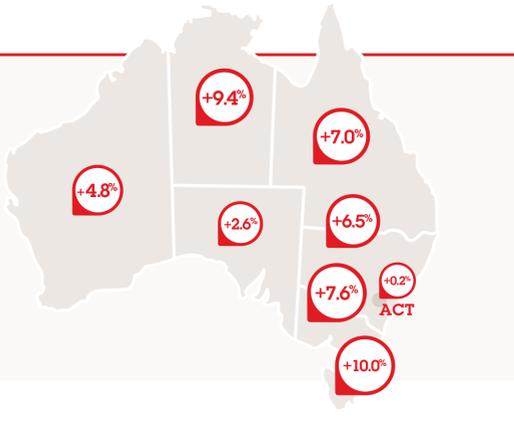
Application numbers lifted significantly across all states and territories.



### PERSONAL LOAN APPLICATIONS

personal loan applications rose nationally

**+6.4%** IN THE JUNE QUARTER.



### MORTGAGE APPLICATIONS

Mortgage applications picked up for the second consecutive quarter in 12 months in the June quarter

The annual rate of growth picked up from: **+5.5%** IN THE MARCH QUARTER. to **+12.5%** IN THE JUNE QUARTER.

This growth in mortgage applications is approaching the peak rate of annual growth of 14.4% last seen in the December quarter 2013.

Mortgage applications are not part of the *Consumer Credit Demand Index*, but are a good lead indicator of future activity in home buyer demand and housing turnover. Historically, movements in mortgage demand have tended to lead movements in house prices by around six to nine months.

"Two interest rate cuts by the Reserve Bank in the June quarter drove mortgage applications to pick-up strongly. The strength in mortgage applications suggests there is still some strong interest from buyers in the housing market, particularly in NSW which continues to see the strongest growth."

"A low interest environment encourages consumers to shop around for a better deal on mortgage finance, so some of the growth in mortgage demand can be explained by consumers switching between providers."

Angus Luffman  
Veda's General Manager of Consumer Risk

Angus Luffman  
Veda's General Manager of Consumer Risk



"Overall, Veda's latest credit demand data suggests that strength in interest sensitive sectors such as retail and in the housing market is continuing, which should help to support growth as Australia's economy responds to the downturn in mining-related construction."

Angus Luffman  
Veda's General Manager of Consumer Risk

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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](http://www.veda.com.au)

NOTE TO EDITORS The Veda Quarterly Consumer Credit Demand Index measures the volume of credit card and personal loan applications that go through the Veda Consumer Credit Bureau by financial services credit providers in Australia. Credit applications represent an intention by consumers to acquire credit and in turn spend; therefore the index is a lead indicator. This differs to other market measures published by the RBA which measure credit provided by financial institutions (i.e. balances outstanding).

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