

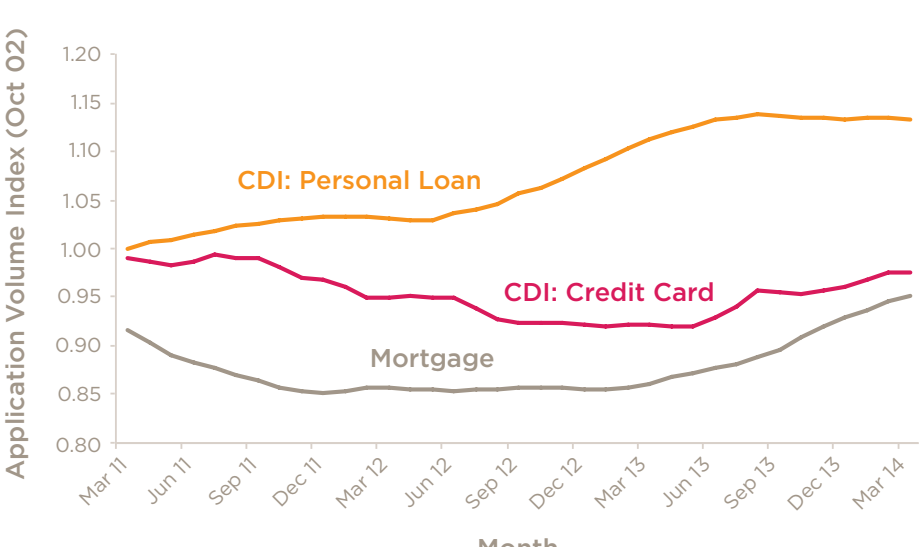
Consumer Credit Demand Index

JANUARY - MARCH 2014

Veda Quarterly Consumer Credit Demand Index at highest level since 2008: Mortgage demand maintains relative strength.

CONSUMER CREDIT APPLICATIONS

12 month rolling average



CONSUMER CREDIT DEMAND INDEX

QUARTERLY YOY%



CDI

Overall consumer credit demand **lifts to +3.1%** for the March quarter (vs March quarter 2013).



Credit card applications **up +6.4%** for the March quarter (vs March quarter 2013).



Personal loan applications **flat** for the March quarter (vs March quarter 2013).



Mortgage demand **up +10.8%** for the March quarter (vs March quarter 2013).



veda
applied intelligence



Veda revealed the results of its **Consumer Credit Demand Index** for the first calendar quarter of 2014.

The index provides an early indication of movements in consumer spending and retail sales.

The index, measuring applications for **credit cards** and **personal loans**, picked up to an annual rate of

+3.1% in the March quarter,

rising from a **flat outcome** recorded in the December 2013 quarter.

Credit demand in the March quarter was the **strongest recorded for the index since June 2008**

(looking at overall volume for credit cards and personal loans).

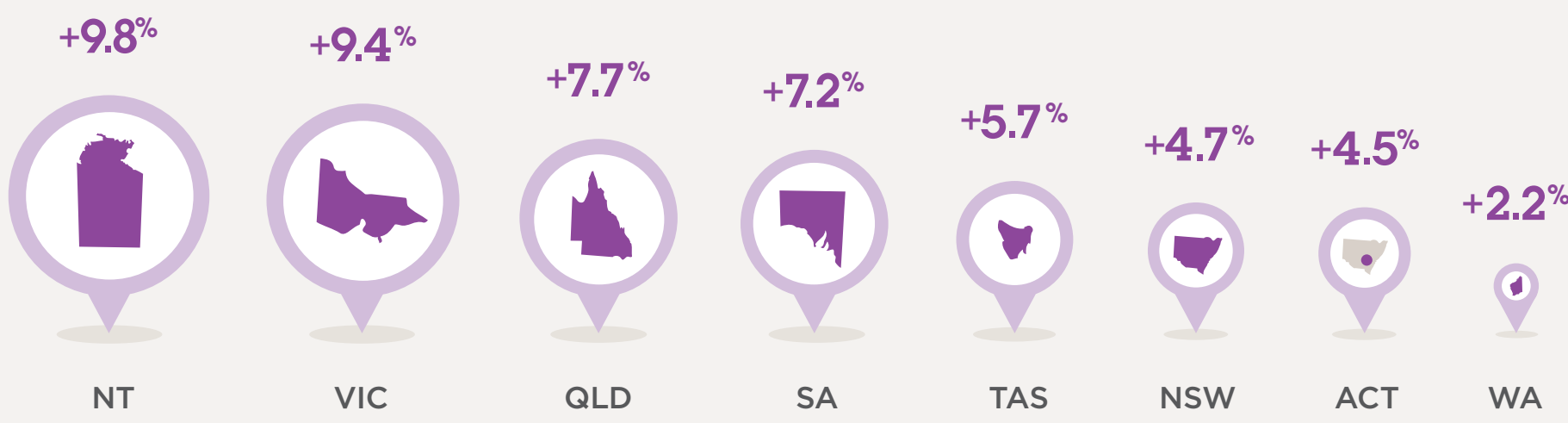
✓ JAN → ✓ FEB → ✓ MAR

The result this quarter was carried by healthy January and February figures, with a noticeable easing in the month of March.

CREDIT CARD APPLICATIONS

Credit card applications are showing **sustained growth**, rising **+6.4%** in the March quarter, up from **+2.1%** in December.

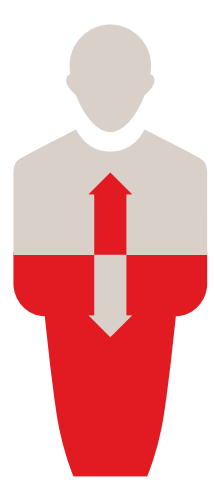
Applications rose in all states.



PERSONAL LOAN APPLICATIONS

In contrast, personal loan applications have been **flat over the last three quarters**.

Nationally, personal loan applications **rose** just

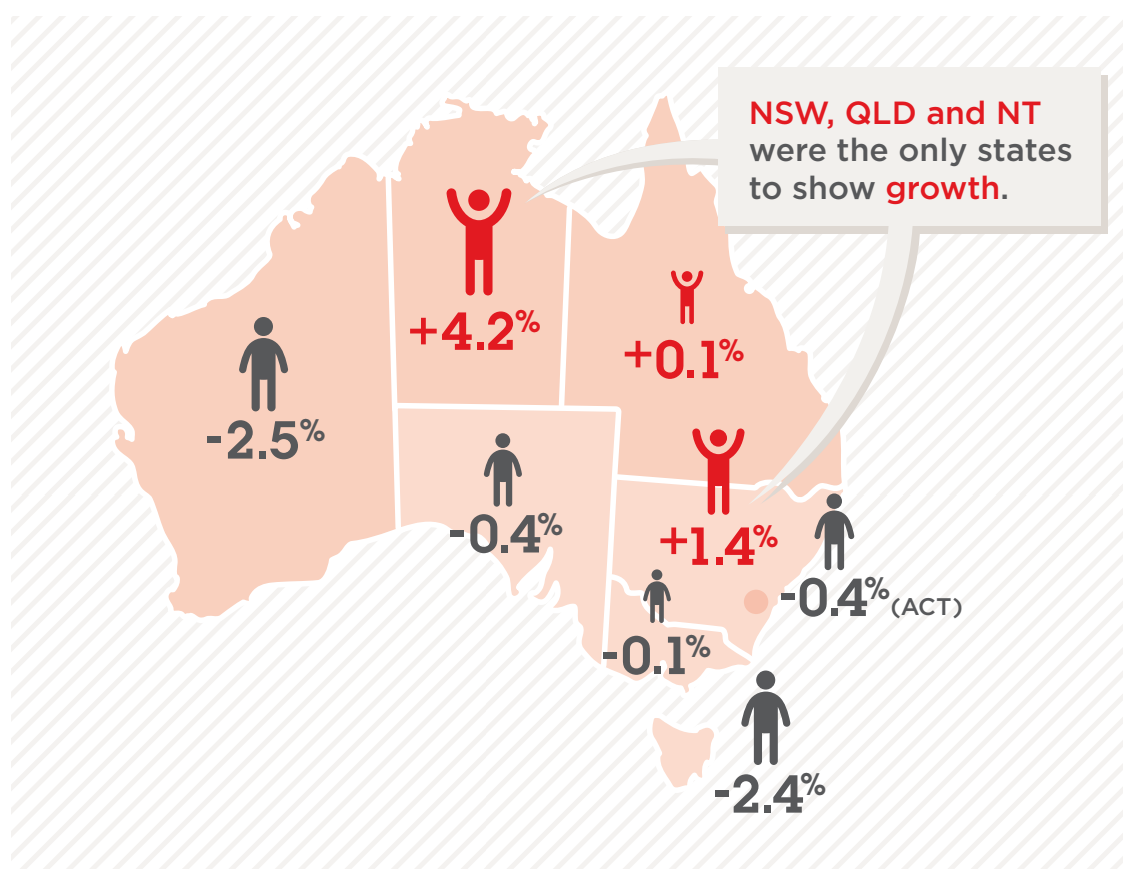


+0.1%

in the March quarter, up from a fall of

-1.5%

recorded in the December quarter.



MORTGAGE DEMAND

Mortgage demand continued to grow at **double-digit rates** to

+10.8%

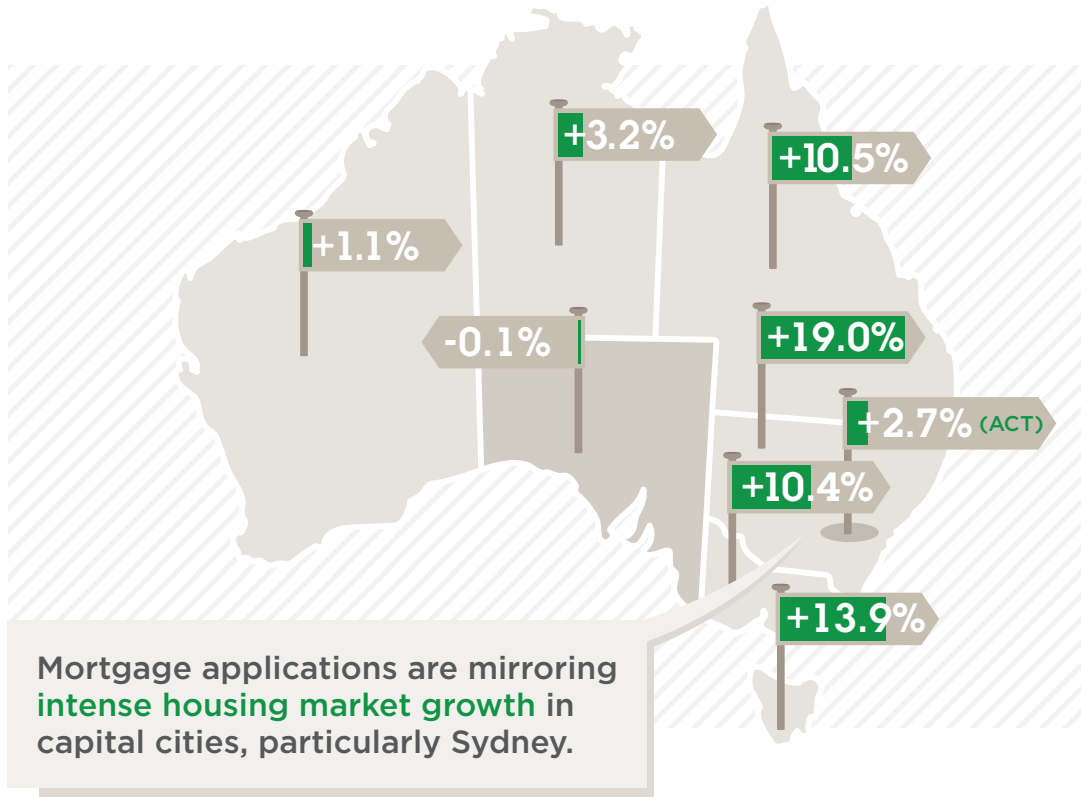
over the year to March, although the pace of growth cooled slightly from

+14.8%

in the December quarter.

Historically, movements in Veda mortgage demand have tended to lead movements in house prices by around six to nine months, with mortgage enquiries a good predictor of home buyer demand and an excellent indicator of housing turnover.

Low interest rates are powering a **recovery** in the housing market.



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