



Market Pulse



Consumer Market Pulse

September 2026

Credit Trend Data as of September 2026

Executive Summary

The Equifax Consumer Market Pulse for September 2026 shows a widening divide between Australian secured and unsecured credit appetite.

Secured Demand Contraction Deepens

Mortgage demand dropped significantly as consumers step back from long-term capital commitments. High interest rates, strict serviceability testing and record-high first-home buyer mortgage sizes continue to erode buyer confidence, driving a sharp retreat across both first home buyers and refinancing activity.

First Home Buyer Retreat Widens

Applications for new home loans dropped, representing a further decline from August and July. The gap is widening significantly when compared to the surge in first home buyer activity observed late last year.

Unsecured Borrowing and Portfolio Churn

Credit card applications surged, led predominantly by mature consumers. This churn likely reflects value-conscious borrowers actively shopping around and switching card products ahead of the Reserve Bank of Australia's interchange fee cap reduction. Personal loans also maintained slight positive growth, while younger age groups (18-35 yr olds) pulled back across all credit categories.

Market Pulse: Key Insights

Overall Credit Demand

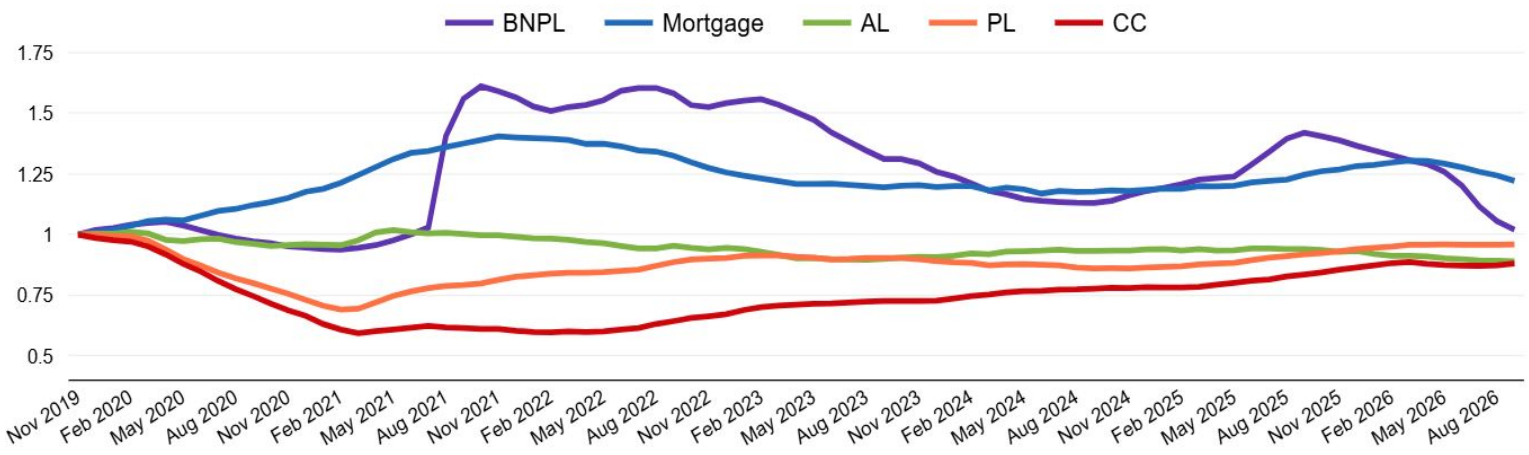
Despite a brief pause in August, the underlying market contraction in mortgage demand has resumed with greater intensity, alongside growth in credit card applications.

Mortgage Demand

Overall mortgage demand fell -19.2% YoY, erasing brief gains seen in August (-14.1% YoY).

Credit Card Demand

Credit card demand rose +10% YoY, powered by older borrowing cohorts.



Personal Loan Demand

Personal loan applications increased +1.4% YoY, staying in slight positive territory.

Secured Credit



Mortgage and Auto Loan

Credit Trends

Australian households appeared to take a decisive step back from major debt commitments in September. Rising friction in borrowing conditions appears to have consumers pull back from new home purchases, refinancing and vehicle financing across most states.

As a comparison to recent months, overall mortgage demand was down -16.4% YoY in July, rebounded slightly in August at -14.1% YoY, and has now further deepened to -19.2% in September. The last time overall mortgage demand was this low was in October 2022.



Mortgage Demand Trends

Key Insights

Overall mortgage demand dropped -19.2% YoY, marking the sixth consecutive month of market pullback.

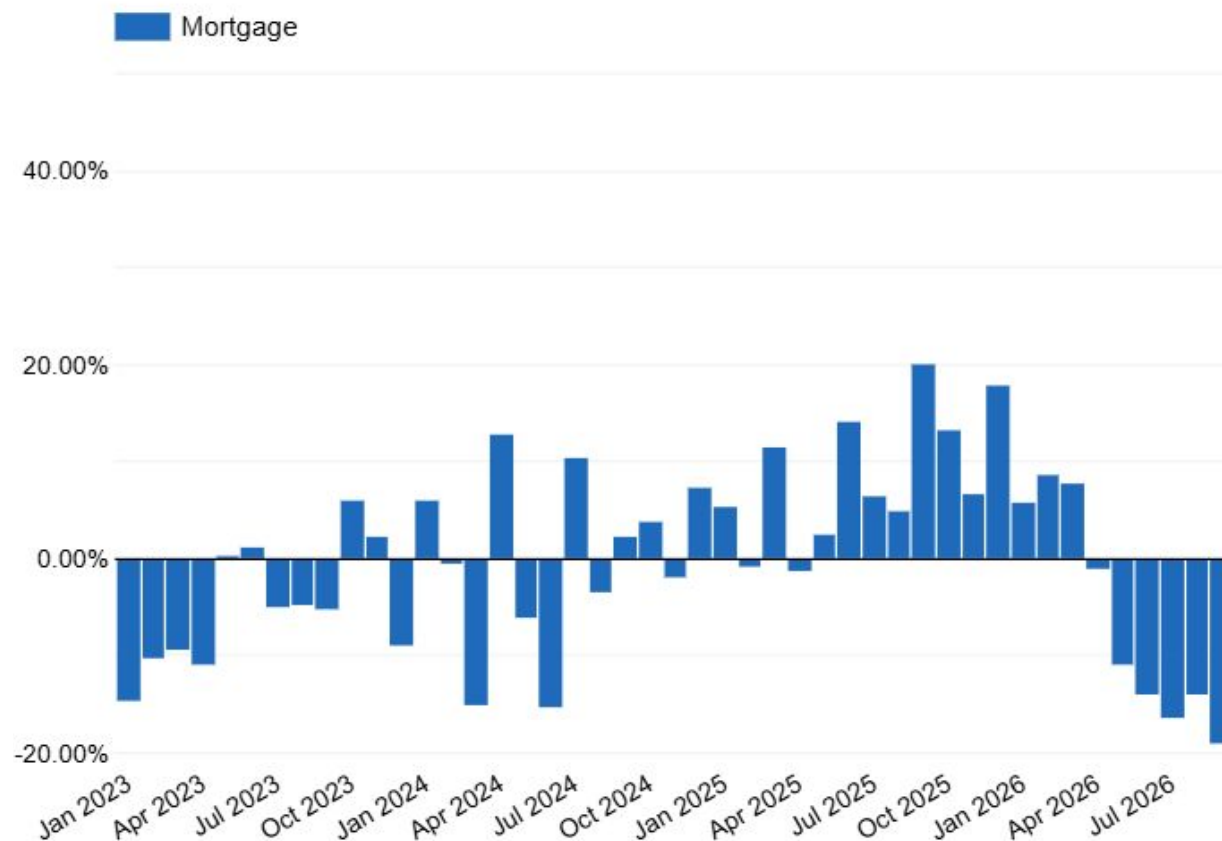
Overall demand fell across all jurisdictions: Qld (-19.2%), VIC (-17.9%), SA (-17.9%), WA (-16.6%). ACT (-21.0% YoY) and NSW (-21.2% YoY) saw the steepest demand declines.

Younger consumers led the downturn, with demand dropping -25% among 18–25 year-olds and -22.5% among 26–35 year-olds.

Refinancing with a different lender fell -8.8% YoY, reversing August's near-flat result of -0.8%.

Refinancing with the same lender dropped -28% YoY, which was the lowest demand observed across all mortgage segments and pullback across most age brackets.

Overall demand September -19.2% YoY decline



Investor, Refinacer & First Home Buyer Demand

First Home Buyer Pressures

Younger buyers aged 18-35 continue to face compounding pressures, even as average first home buyer loan sizes show signs of stabilising near current highs of \$743k (634k for 18–25yrs; \$736k for 26–35yrs). Combined with strict serviceability testing, high interest rates and broader cost-of-living inflation continue to weigh on market sentiment.

Property Investor Decline

Demand among investors (borrowers with two or more mortgages) fell -18% YoY, deepening from July -15.1% and August (-11.4% YoY).

Refinancing Pullback Across States

Most states saw declines in refinancing. In NSW refinancing with a different lender declined -11.6% and with the same lender -31.1%, with TAS as the sole growth market for switching lenders (+1.5% YoY). Strict serviceability assessment buffers appear to be holding borrowers in place.

Refinancing Age Drivers

Younger homeowners are refinancing less. Switching to a different lender dropped -14.2% among 26–35 year-olds but rose among 56–60 year-olds (+3.2% YoY) and 60+ year-olds (+2.3% YoY). Same-lender refinancing was down -30.2% among 26-35 yr olds and -29.3% among 36-45 yr olds.

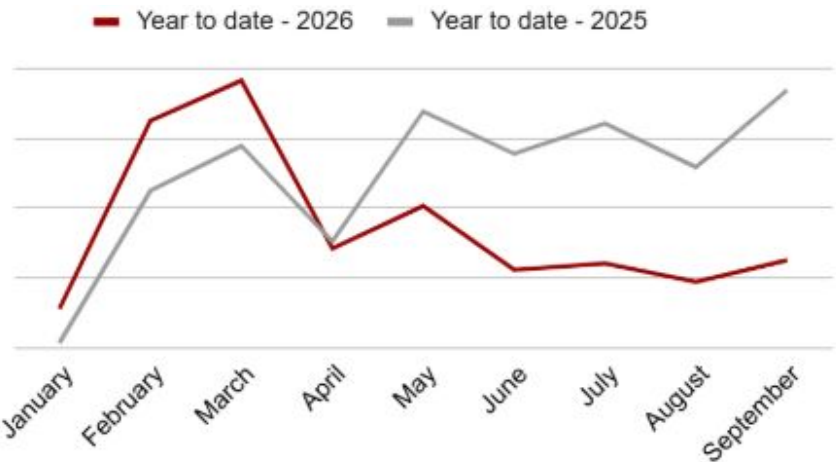
First Home Buyer Retreat Widens

Key Insights

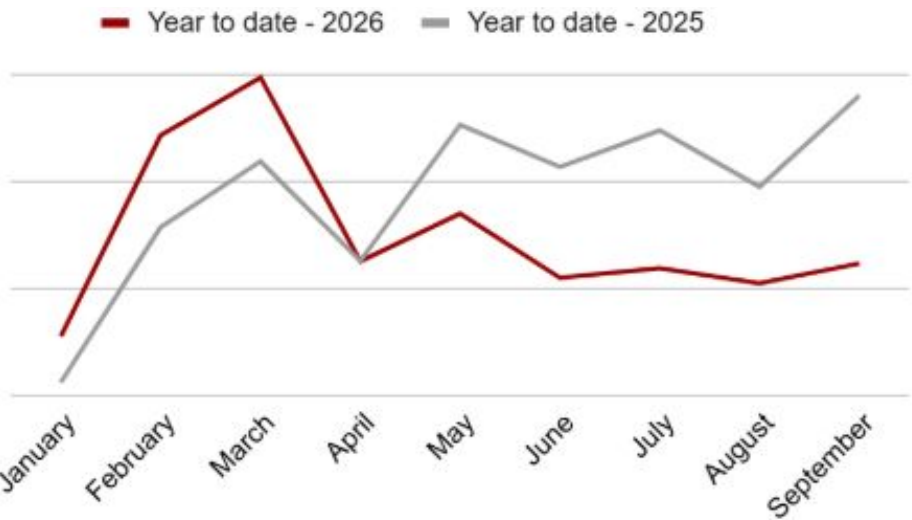
September recorded the largest first home buyer contraction (-22.1% YoY) since December 2022 (down from -19.2% in July and -20.1% in August), led by QLD (-24.7% YoY), the ACT (-23.4% YoY), and NSW (-22.8% YoY).

When comparing this to the strong surge in First Home Buyer demand observed during the final quarter of last year, the gap in market entry is widening significantly.

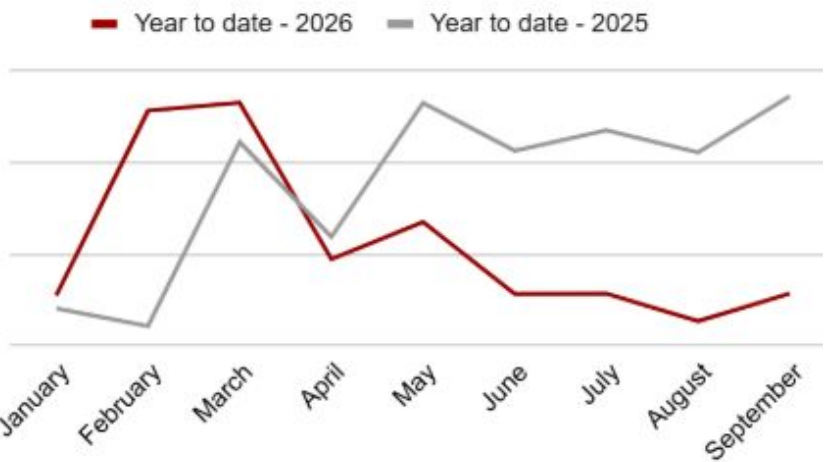
All Mortgage Demand - Applications (All Mortgage Enquiries, incl new & refi)



Refinancing Demand - Applications (Incl. Internal & External refinancing)



First Home Buyer Mortgage Demand - Applications



National First Home Buyer Demand Trends (Sept 2025 - Sept 2026)

Month	Sept 25	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	Apr 26	May 26	Jun 26	Jul 26	Aug 26	Sept 26
National	+9.7%	+13.7%	+2.9%	+17.1%	+1.9%	+3.7%	+4.2%	-2.9%	-13.4%	-17.2%	-19.2%	-20.1%	-22.1%
NSW	+11.6%	+16.2%	+4.0%	+19.7%	+3.5%	+3.0%	+3.0%	-4.5%	-12.3%	-16.1%	-18.3%	-22.0%	-22.8%
VIC	+8.7%	+8.4%	-3.1%	+10.6%	-2.9%	-3.4%	-3.7%	-7.3%	-15.4%	-18.2%	-16.8%	-18.2%	-20.6%
QLD	+7.7%	+14.6%	+5.9%	+23.3%	+3.6%	+8.0%	+14.2%	+0.9%	-16.5%	-20.8%	-25.2%	-22.6%	-24.7%
SA	-1.9%	+7.9%	+2.4%	+12.1%	+4.8%	+8.6%	+5.9%	+5.5%	-11.8%	-14.3%	-16.9%	-15.9%	-19.2%
WA	+14.9%	+22.6%	+10.0%	+19.1%	+9.5%	+11.6%	+9.7%	-2.5%	-8.5%	-13.9%	-19.6%	-18.4%	-19.8%

Auto Loan Demand Trends

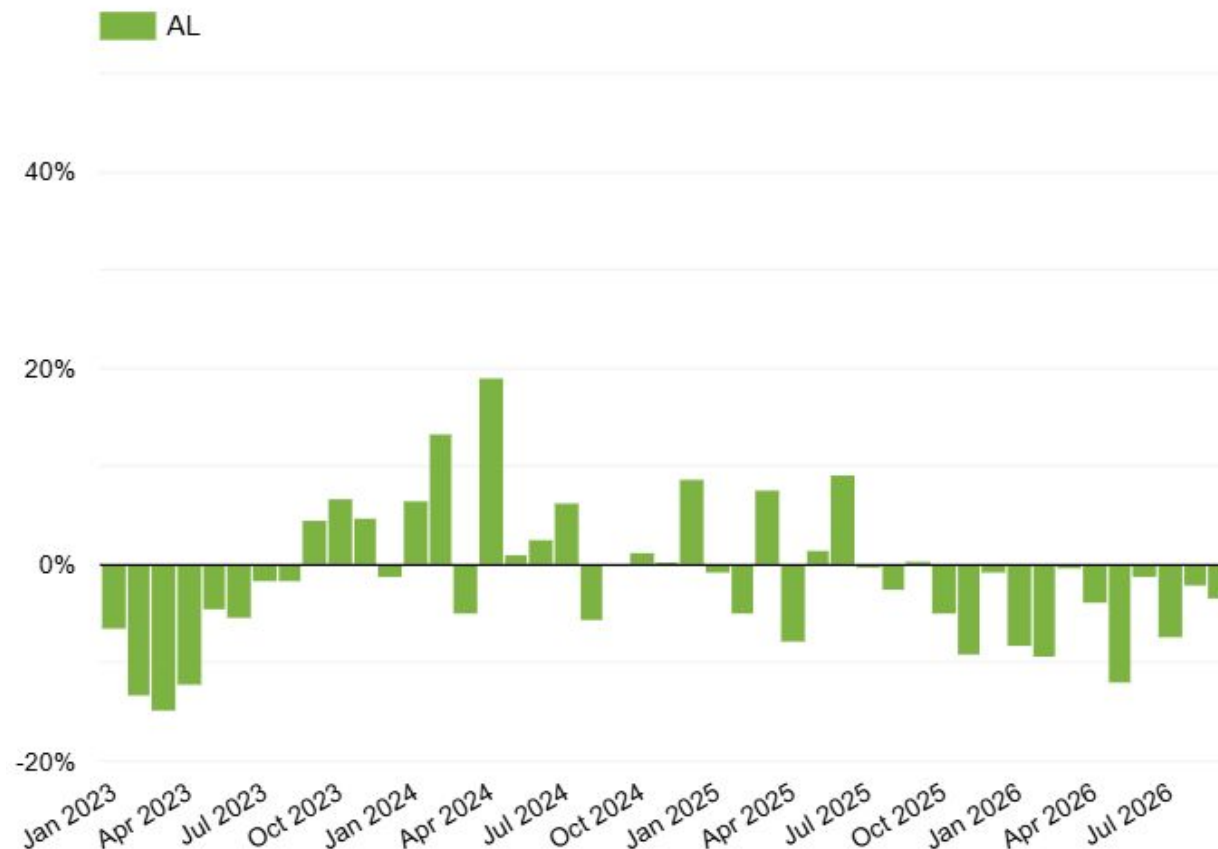
Key Insights

Demand Trajectory: Auto loan applications fell -3.6% YoY nationally as consumers continued to defer vehicle financing commitments.

State Drivers: Declines were driven by TAS (-12.3% YoY), QLD (-4.9% YoY), and NSW (-4.0% YoY), while ACT was a strong outlier (+9.8% YoY).

Age Demographics: Younger consumers led the retreat with 26–35 year-olds down -5.5% YoY, compared to a mild drop of -1.6% YoY among 56+ consumers.

Overall demand September, -3.6% YoY decline



Unsecured Credit



Personal Loans and Credit Cards

Credit Trends

Unsecured borrowing expanded as Australian consumers sought financial flexibility and adjusted card holdings. The 56+ age group is driving the majority of growth across unsecured credit lines, whereas younger borrowers (18–35 year olds) are pulling back across the credit spectrum.

A surge in card applications was driven by mature spenders likely re-evaluating options ahead of the Reserve Bank of Australia's 1 October interchange fee cap reduction. As financial institutions communicated these changes to rewards earn rates, points caps, and fee structures, value-conscious spenders actively churned their card portfolios to secure established rewards terms or switch products ahead of deadline.



Personal Loan Demand Trends

Demand Trajectory:

Demand maintained slight positive growth at +1.4% YoY for a second consecutive month.

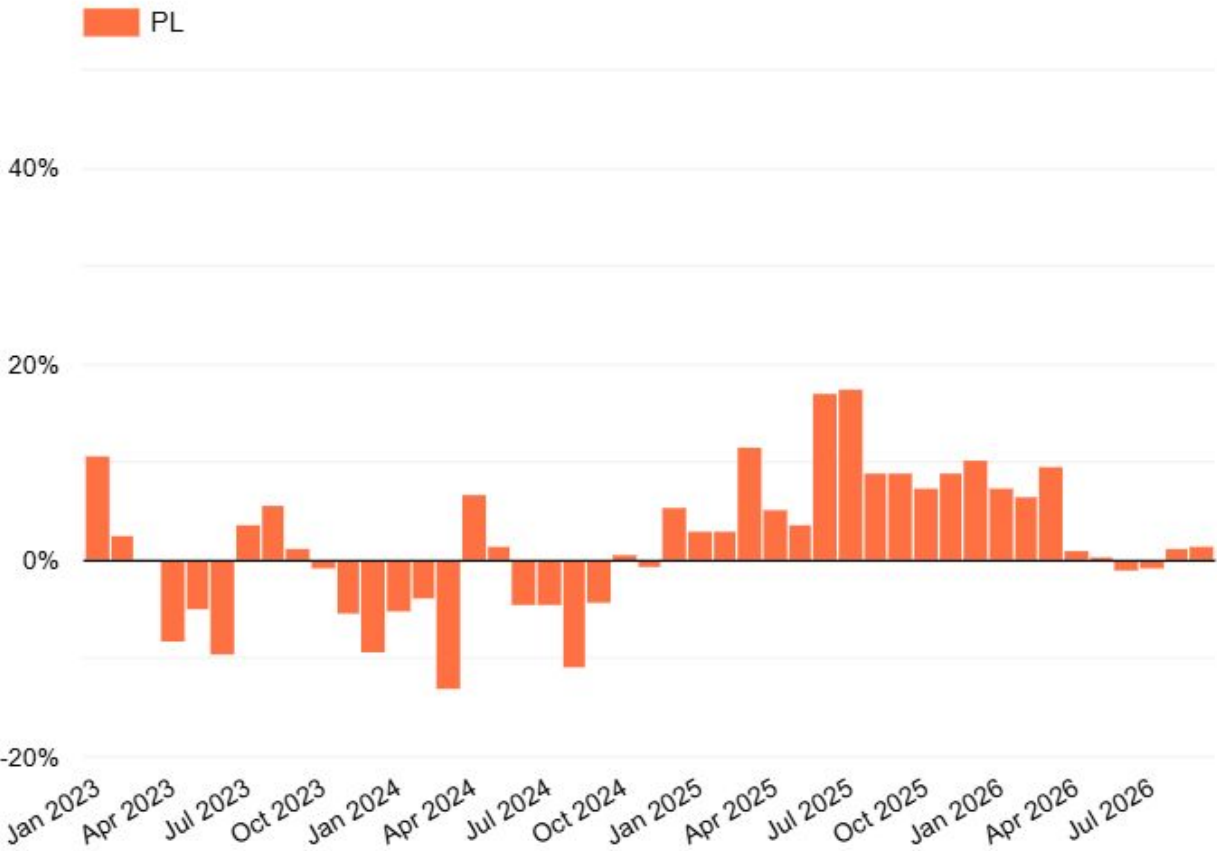
State Drivers:

Growth was anchored by strong activity in NSW (+6.3% YoY), offsetting declines in TAS (-4.0% YoY) and SA (-3.3% YoY).

State Drivers:

Older age cohorts continued to drive market growth, led by a +19.5% YoY increase among 56+ year-olds.

Overall demand September +1.4% YoY increase



Credit Card Demand Trends

Demand Trajectory:

Credit card demand accelerated to +10% YoY, representing a second straight month of positive growth (+2.9% in August).

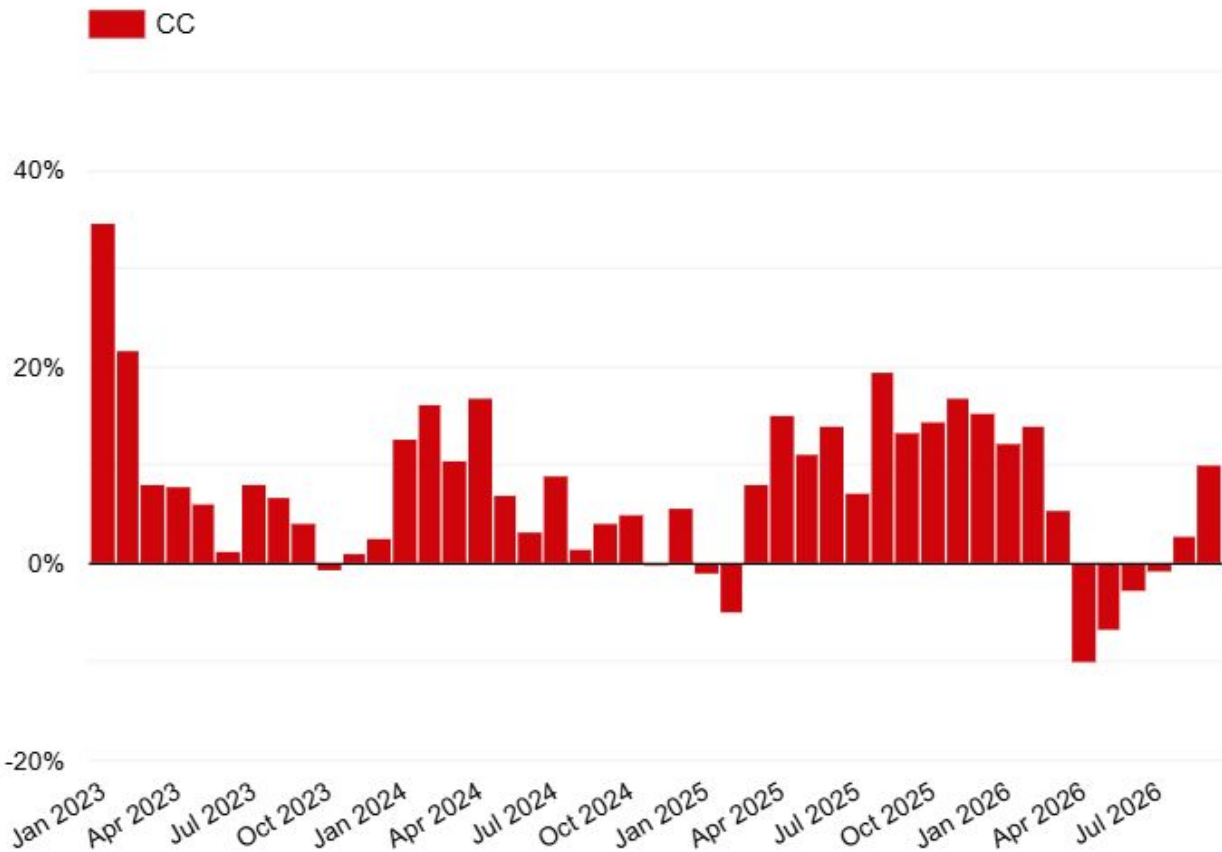
State Drivers:

Demand was strongest in ACT (+17.0% YoY) and NSW (+12.3% YoY).

Age Demographics:

Activity was powered almost entirely by the 56+ age demographic, which recorded a +36.3% YoY spike in applications.

Overall demand September +10% YoY increase



Further Information

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any questions.

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