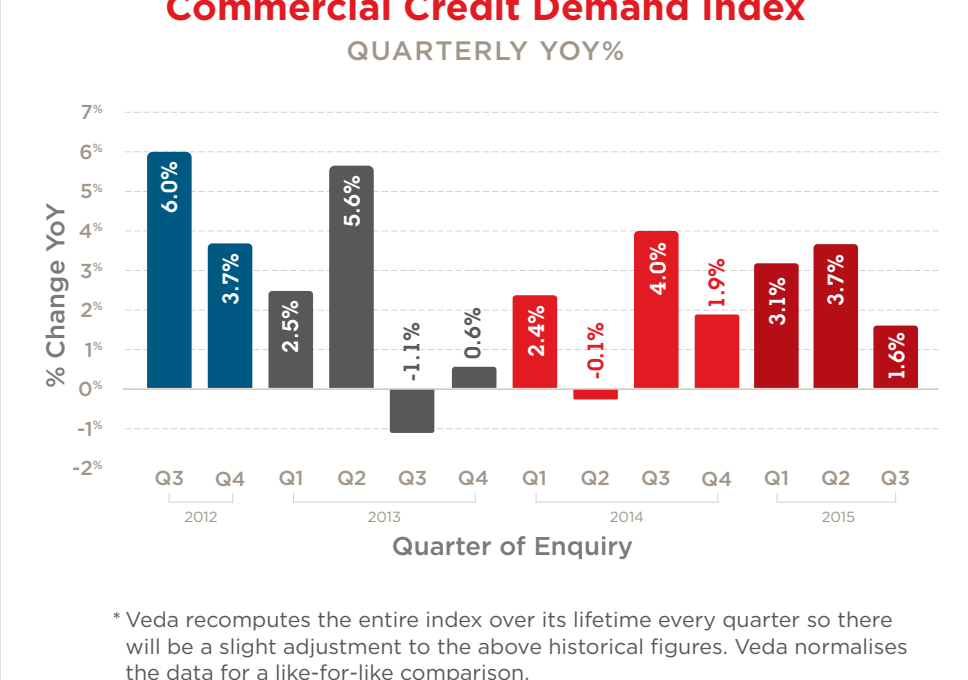
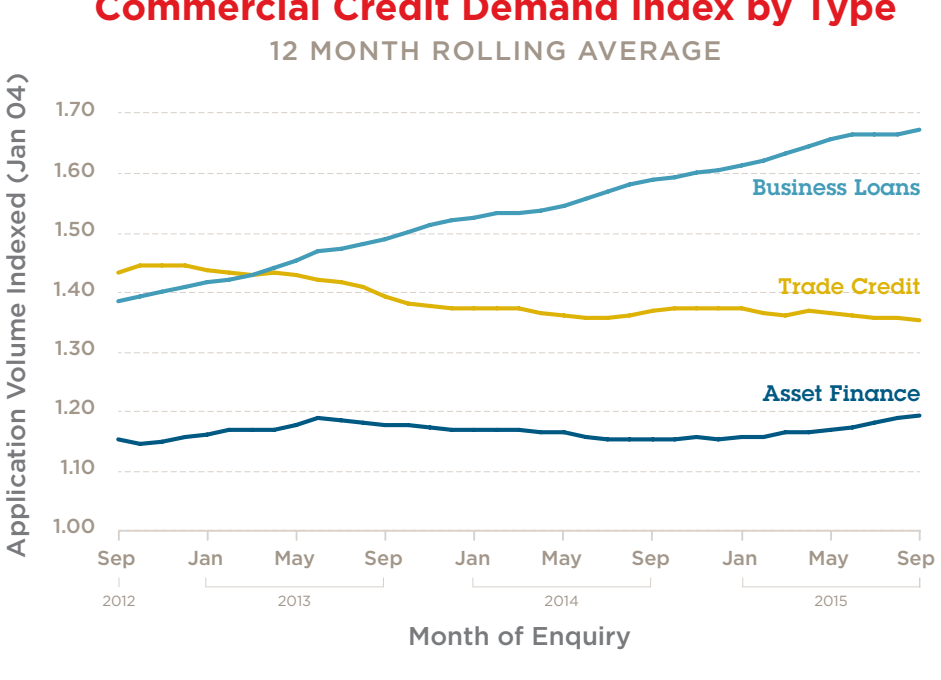


VEDA QUARTERLY BUSINESS CREDIT DEMAND INDEX

July - September 2015

Moderate growth of business credit for September quarter



Overall business credit applications rose +1.6% (VS SEPTEMBER QUARTER 2014)

- business loans and asset finance applications grew +6.7%
- trade credit weakened -2.2%

NSW's position as a strong economic performer evidenced in business credit growth

SYDNEY, AUSTRALIA: 20 OCTOBER 2015

The **Veda Quarterly Business Credit Demand Index**, measuring applications for business loans, trade credit and asset finance, **grew moderately by +1.6%** in the September 2015 quarter.

Asset finance applications grew +6.7% and **business loans grew +1.8%** and **trade credit declined -2.2%** in the September quarter 2015 compared to the September quarter 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 **moderate growth in credit demand for business**, but showed a **slight decline from the annual growth rate of +3.7%** in the June quarter.

SEPT Overall business credit applications eased in the September 2015 quarter. +1.6%

The **softer conditions** reflected across both mining and non-mining jurisdictions, however, non-mining states showed stronger demand for business credit.

- NSW: +5.9%
- VIC: +2.5%
- SA: +1.7%
- ACT: +1.4%
- TAS: -12.3%

Tasmania was the only non-mining state to experience contraction.

All mining jurisdictions experienced **declining business credit applications** for the September quarter 2015.

- QLD: -1.7%
- WA: -4.5%
- NT: -10.7%

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

"With growth in the Australian economy remaining below trend, **moderate business credit growth should be seen as a positive.**"

Business loan applications

Business loan applications eased in the September quarter to **+1.8%**

Of the **non-mining jurisdictions** NSW, Victoria and the ACT enjoyed strong growth in applications, while SA and Tasmania recorded a fall.

Business loan applications across the **mining jurisdictions** experienced **drops across all states** with Queensland having a modest drop, while WA and the NT dropped sharply in the September quarter.

Trade credit applications

Trade credit applications fell overall in the September quarter **-2.2%**

Trade credit applications over the past year fell in NSW, Victoria, Queensland, Tasmania, the ACT and the NT. SA and WA were the only two states to see growth in trade credit applications.

The **easing of trade credit applications** was largely driven by weakness in the main category of 30-day accounts (-4.2%), with applications for seven-day accounts (+3.3%) seeing a lift.

Asset finance applications

Asset finance applications picked up in the September quarter **+6.7%**

This represented an **improvement in the annual rate of growth** for **asset finance applications** from **+4.0%** in the June quarter.

WA continues to see falls mirroring the downturn in mining-related construction work.

NSW, Victoria and the ACT saw strong growth in asset finance applications, followed by the NT, Queensland, SA and Tasmania.

"Changes to accelerated depreciation rules for small businesses in May's Federal Budget caused a spike in demand for asset finance for items under \$20,000 in the June quarter. Demand for asset finance strengthened in the September quarter (+6.7%)." **Paul McFadden**, Veda's General Manager, Commercial Risk and New Markets

"While growth in national credit demand was moderate, NSW's position as a strong economic performer stood out in this quarter's credit demand numbers. NSW led all states in overall business credit applications (+5.9%), business loan applications (+9.6%) and asset finance applications (+10.7%). NSW's economy has been underpinned by growth in the construction and housing sectors, which have been performing strongly."

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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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