

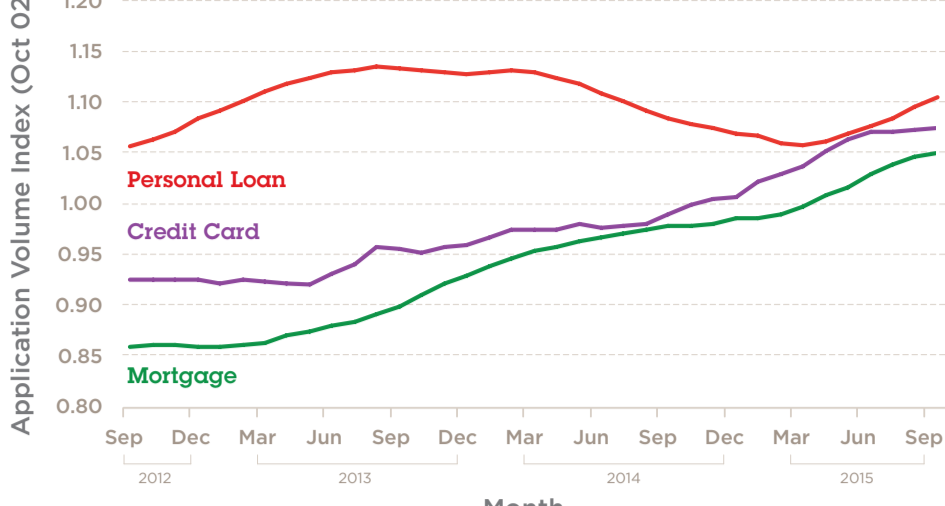
CONSUMER CREDIT DEMAND INDEX

VEDA QUARTERLY
July - September 2015

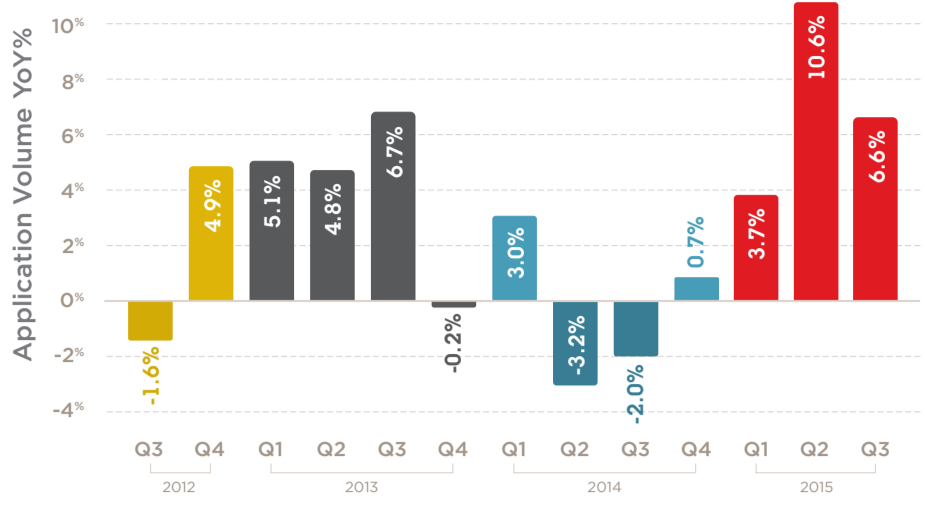


FINANCIAL YEAR COMMENCES WITH MODERATE GROWTH IN CONSUMER CREDIT DEMAND

Consumer Credit applications 12 MONTH ROLLING AVERAGE



Consumer Credit Applications QUARTERLY YOY%



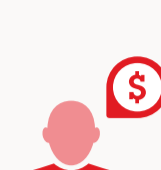
CDI

Overall consumer credit demand grew **+6.6%** (VS SEPTEMBER QUARTER 2014).

Credit card applications slowed to **+1.7%** (VS SEPTEMBER QUARTER 2014).

Personal loan applications rose **+12.1%** (VS SEPTEMBER QUARTER 2014).

Growth in mortgage applications eased to **+9.0%** (VS SEPTEMBER QUARTER 2014).



SYDNEY, AUSTRALIA: 13 OCTOBER 2015

The *Veda Quarterly Consumer Credit Demand Index*, measuring the volume of credit card and personal loan applications, started the new financial year

with a lift of **+6.6%**

IN CONSUMER CREDIT DEMAND IN THE SEPTEMBER QUARTER 2015 VS SEPTEMBER QUARTER 2014.



Personal loan applications drove credit demand growth, with an increase of **+12.1%** VS SEPTEMBER QUARTER 2014.



Credit card applications slowed dramatically, increasing only **+1.7%** VS SEPTEMBER QUARTER 2014.



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

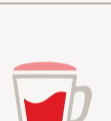


Angus Luffman, General Manager of Consumer Risk, said the growth in demand for personal loans, building on positive results from the previous quarter, could be attributed to several factors.

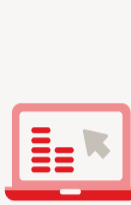


"Lower interest rates and a big lift in housing construction are driving spending on a range of big ticket household goods including furniture and electrical items, often financed through a personal loan."

ABS data shows a **9.1% increase** in household goods retailing in the 12 months to August."



"Credit card applications were flatter this quarter primarily due to a decrease in major player campaign activity, after relatively strong activity in recent quarters, including the September 2014 quarter."



"Amongst the growth in personal loans we are observing some change in the source of the demand, with a portion of the growth coming from more recent market entrants. Typically these organisations have a digital-only presence and are offering borrowers more flexible loan options."

These lenders are partially growing their share of the applicant market by capturing a larger portion of potential borrowers shopping around for the best deal with multiple lenders."

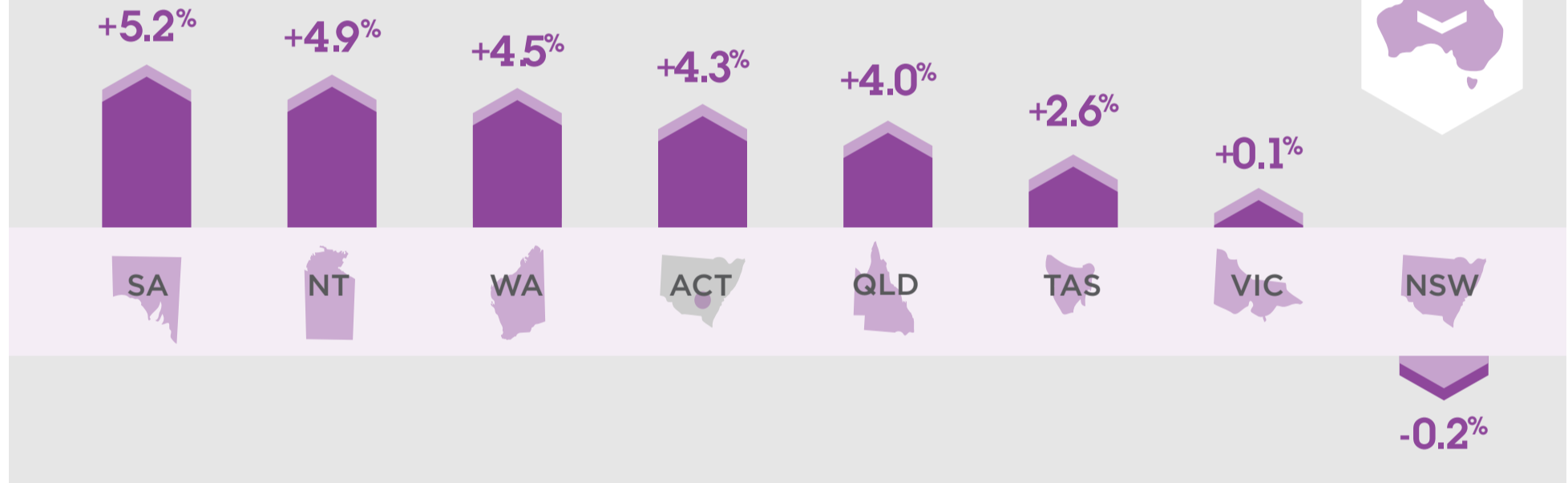


Angus Luffman
Veda's General Manager of Consumer Risk

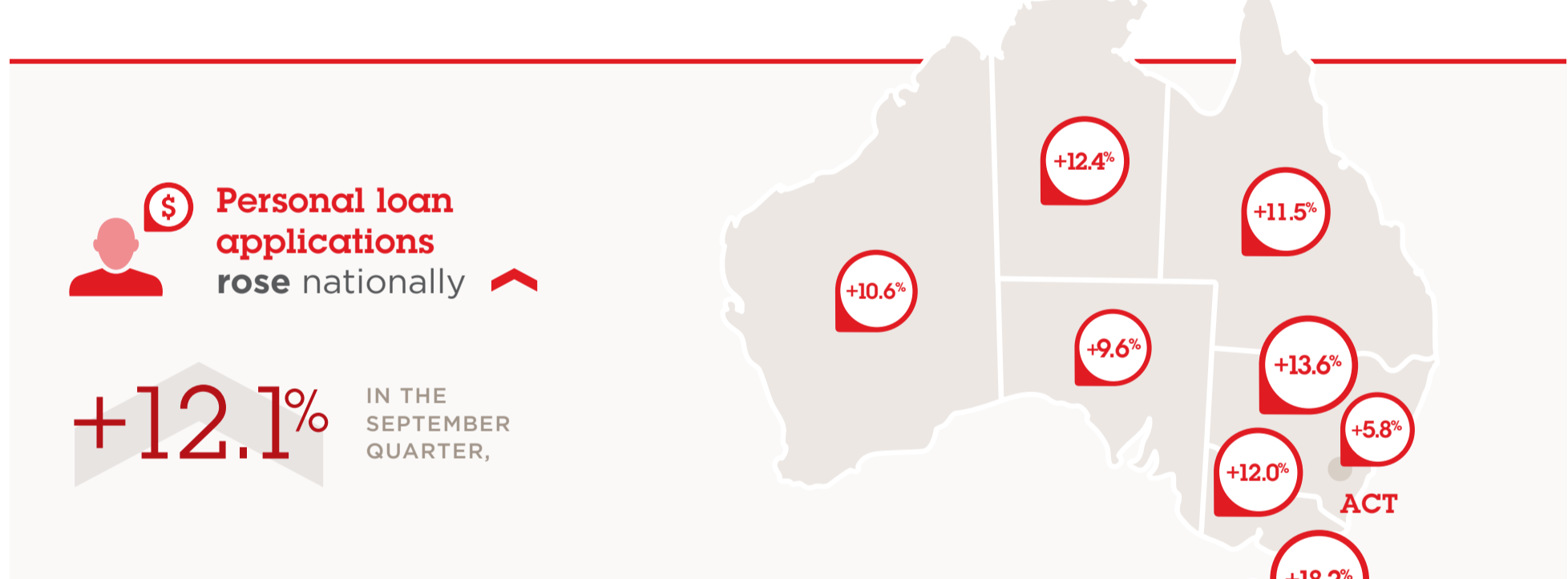
CREDIT CARD APPLICATION



Growth in credit card applications slowed sharply to **+1.7%** IN THE SEPTEMBER QUARTER.



PERSONAL LOAN APPLICATIONS



Personal loan applications rose nationally **+12.1%** IN THE SEPTEMBER QUARTER.

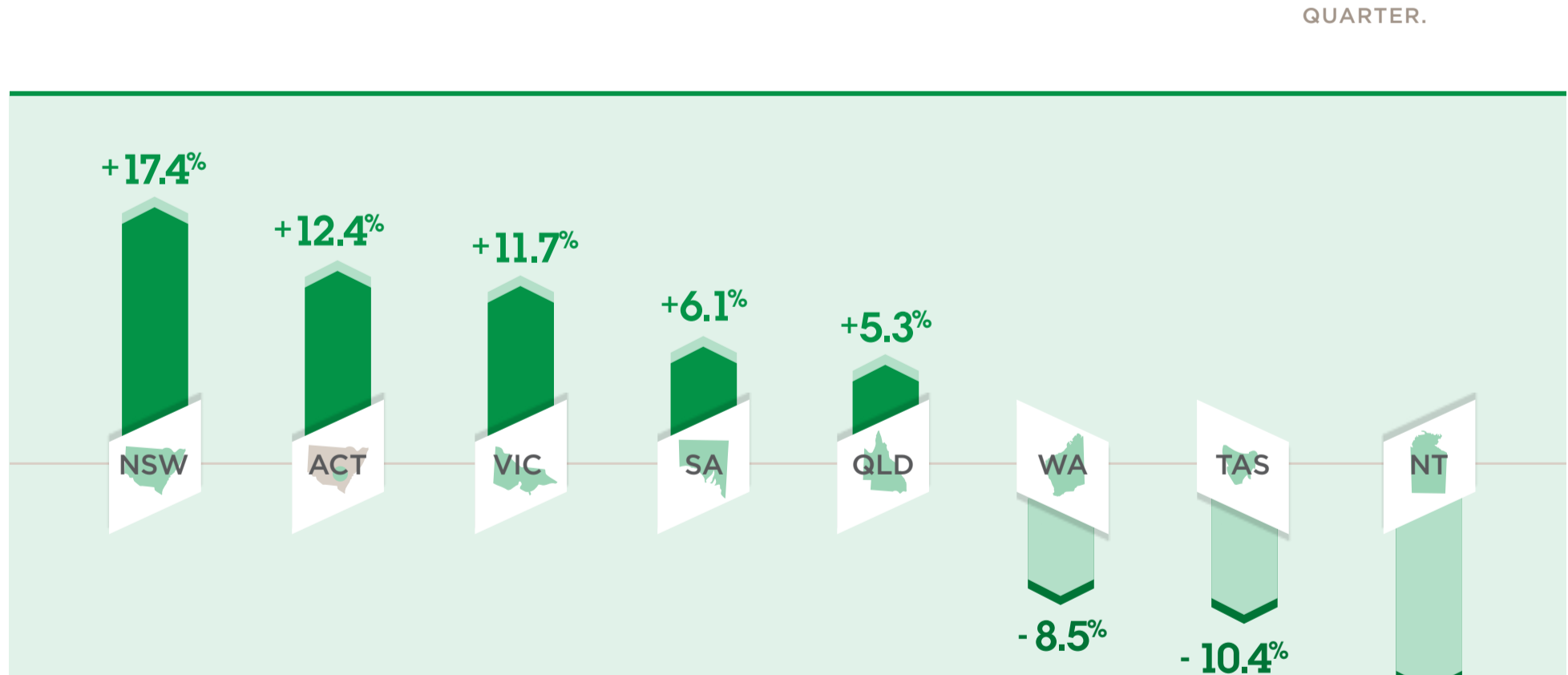
Angus Luffman
Veda's General Manager of Consumer Risk

"While overall consumer credit demand remains positive, and despite being driven by personal loan demand growth, the total balances of non-housing credit remain relatively stable, according to the ABS data."

MORTGAGE APPLICATIONS



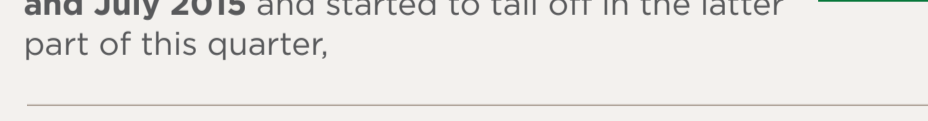
Mortgage application growth slowed nationally in the September quarter to an annual growth rate of **+9%** vs **+12.5%** FOR THE JUNE QUARTER.



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.

Angus Luffman
Veda's General Manager of Consumer Risk

"Mortgage demand was down for the September quarter but still saw positive growth. The recent growth in mortgage demand peaked over June and July 2015 and started to tail off in the latter part of this quarter."



"The established trend of older applicant age groups, continually replacing younger age groups in mortgage applications did not continue in the September quarter, which may confirm a link between investor mortgages and previous mortgage application growth. It may also suggest APRA's recent regulatory focus on investor mortgages is starting to have an impact on demand."

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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 theft and fraud, and undertake digital marketing strategies. 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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