# Market Pulse

## Consumer Market Pulse

**July 2026**

**Credit Trend Data as of July 2026**

# Executive Summary

The latest Equifax Consumer Market Pulse reveals Australian households may be continuing to freeze credit expansion under sustained living costs and high interest rates.

### Deeper Credit Freeze Across Households

Persistent economic pressures are prompting Australian households to pause major debt commitments. Cautious borrowing has now broadened across both secured and unsecured borrowing markets, marking a widespread retreat from new credit lines.

### First Home Buyers and Investors Retreat

Affordability constraints are impacting entry-level buyers, while property investors are also stepping back. The earlier policy-driven momentum from deposit schemes has faded as prospective buyers hit financial friction in the current economic landscape.

### Refinancing and Targeted Personal Credit

Data suggests homeowners may have largely finished initial repricing negotiations with existing lenders, causing internal refinancing to drop sharply compared to lender switching. Meanwhile, unsecured credit remains soft, though mature asset-backed consumers are drawing on personal credit for targeted home improvements like solar power.

# Market Pulse: Key Insights

## Overall Demand Drop

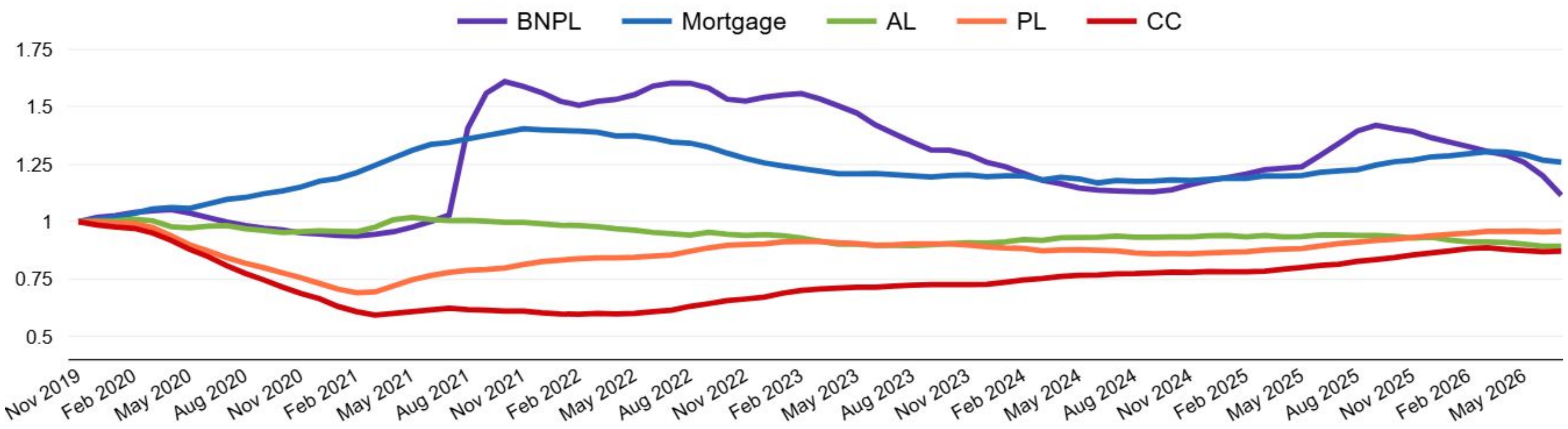
National credit demand contracted across mortgages (-16.4% YoY), auto loans (-7.4%), credit cards (-1%), and personal loans (-0.9%).

## Mortgage Slowdown

Mortgage demand dropped -16.4% YoY across Australia, driven by a steep -19.2% fall in First Home Buyers.

## Credit Card Retreat

Credit card demand fell -1% YoY, marking four straight months of decline - a trend unseen since 2021




## Personal Loans Slip

Personal loan demand slipped -0.9% YoY, marking a second consecutive month of national contraction.

# Secured Credit

## Mortgage and Auto Loans

### Credit Trends

Demand for big-ticket loans slowed as Australian households avoided taking on large long-term financial commitments.

Mortgage demand fell across all states and age demographics, led by younger buyers. Auto loan applications also softened nationally.

# Mortgage Demand Trends

## Key Insights

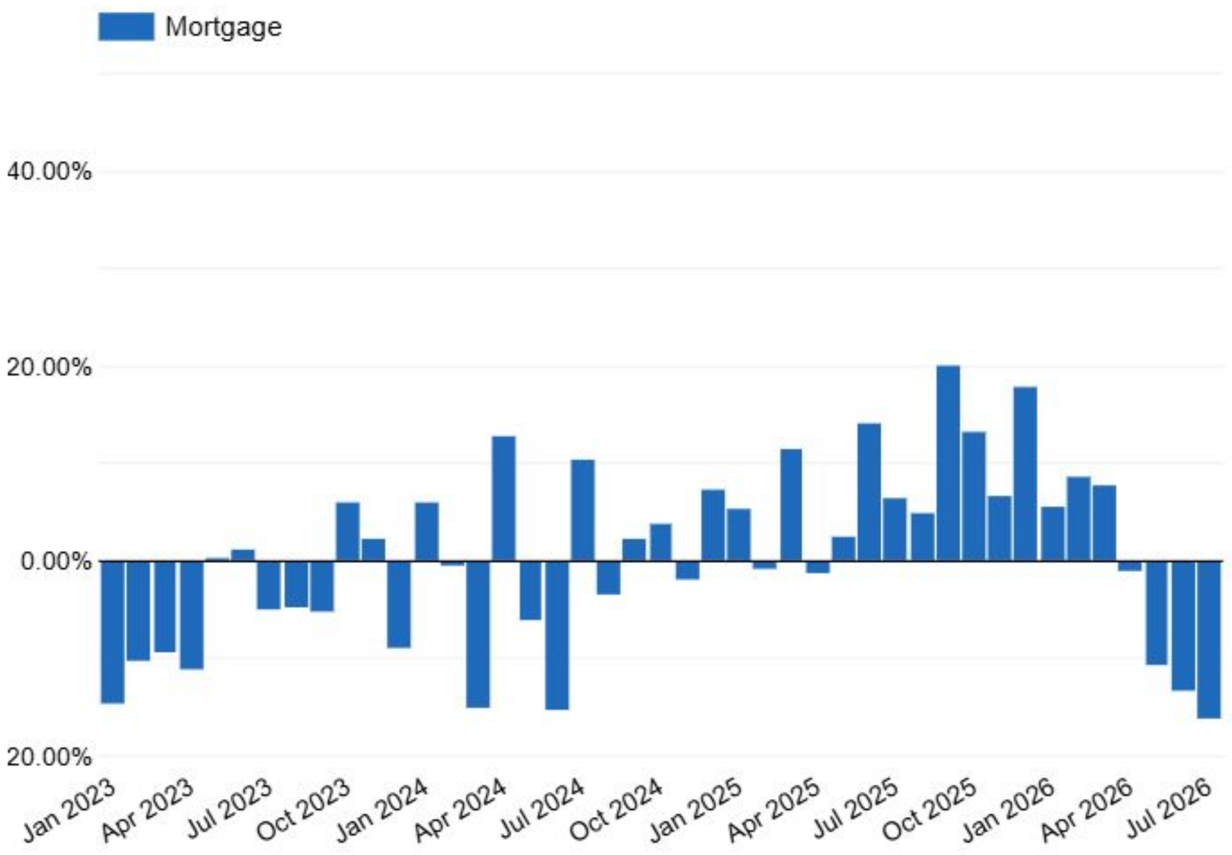
**Overall mortgage demand dropped** -16.4% YoY, marking four consecutive months of overall contraction – a sustained trend not tracked in three years since 2023.

**Refinancing with the same lender fell** -22.5% YoY, whereas switching to a different lender saw a milder decline of -8.4% YoY.

**Overall demand fell across all jurisdictions,** led by ACT (-19.0% YoY), QLD (-18.6% YoY), and SA (-17.0% YoY), while WA was the most resilient state (-12.9% YoY).

**Younger cohorts continued to drive the overall downturn,** with overall mortgage demand falling -21.1% among 18–25 year-olds and -20.1% among 26–35 year-olds.

### Overall demand July -16.4% YoY decline



# Investor & First Home Buyer Demand

### First Home Buyer Contraction

Applications dropped -19.2% YoY nationally, led by sharp state-level declines in QLD (-25.2% YoY), WA (-19.6% YoY), and NSW (-18.3% YoY).

### Property Investor Pullback

Demand among prospective property investors (borrowers with two or more mortgages) fell -15.1% YoY in July, accelerating from May (-9.8% YoY) and June (-12.7% YoY).

### Refinancing Regional & Age Drivers

Switching lenders dropped most in ACT (-20.9% YoY) and TAS (-16.2% YoY), while same-lender refinancing plummeted in NSW (-25.6% YoY) and VIC (-23.7% YoY) and dropped -25.0% YoY across 26–45 year-olds.

### Age Demographic Drivers

Affordability constraints hit younger entry-level buyers hardest, driving First Home Buyer demand down -22.4% YoY among 18–25 year-olds and -20.9% YoY among 26–35 year-olds.

# National First Home Buyer Demand Trends (July 2025 - July 2026)

| Month | Jul 25 | Aug 25 | Sep 25 | Oct 25 | Nov 25 | Dec 25 | Jan 26 | Feb 26 | Mar 26 | Apr 26 | May 26 | Jun 26 | Jul 26 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| National | -1.5% | -2.3% | 9.7% | 13.7% | 2.9% | 17.1% | 1.9% | 3.7% | 4.2% | -2.9% | -13.4% | -17.2% | -19.2% |
| NSW | -2.5% | -0.7% | 11.6% | 16.2% | 4.0% | 19.7% | 3.5% | 3.0% | 3.0% | -4.5% | -12.3% | -16.1% | -18.3% |
| VIC | -1.3% | -2.4% | 8.7% | 8.4% | -3.1% | 10.6% | -2.9% | -3.4% | -3.7% | -7.3% | -15.4% | -18.2% | -16.8% |
| QLD | -0.1% | -4.2% | 7.7% | 14.6% | 5.9% | 23.3% | 3.6% | 8.0% | 14.2% | 0.9% | -16.5% | -20.8% | -25.2% |
| SA | -2.3% | -5.3% | -1.9% | 7.9% | 2.4% | 12.1% | 4.8% | 8.6% | 5.9% | 5.5% | -11.8% | -14.3% | -16.9% |
| WA | 0.7% | -5.7% | 14.9% | 22.6% | 10.0% | 19.1% | 9.5% | 11.6% | 9.7% | -2.5% | -8.5% | -13.9% | -19.6% |

# Auto Loan Demand Trends

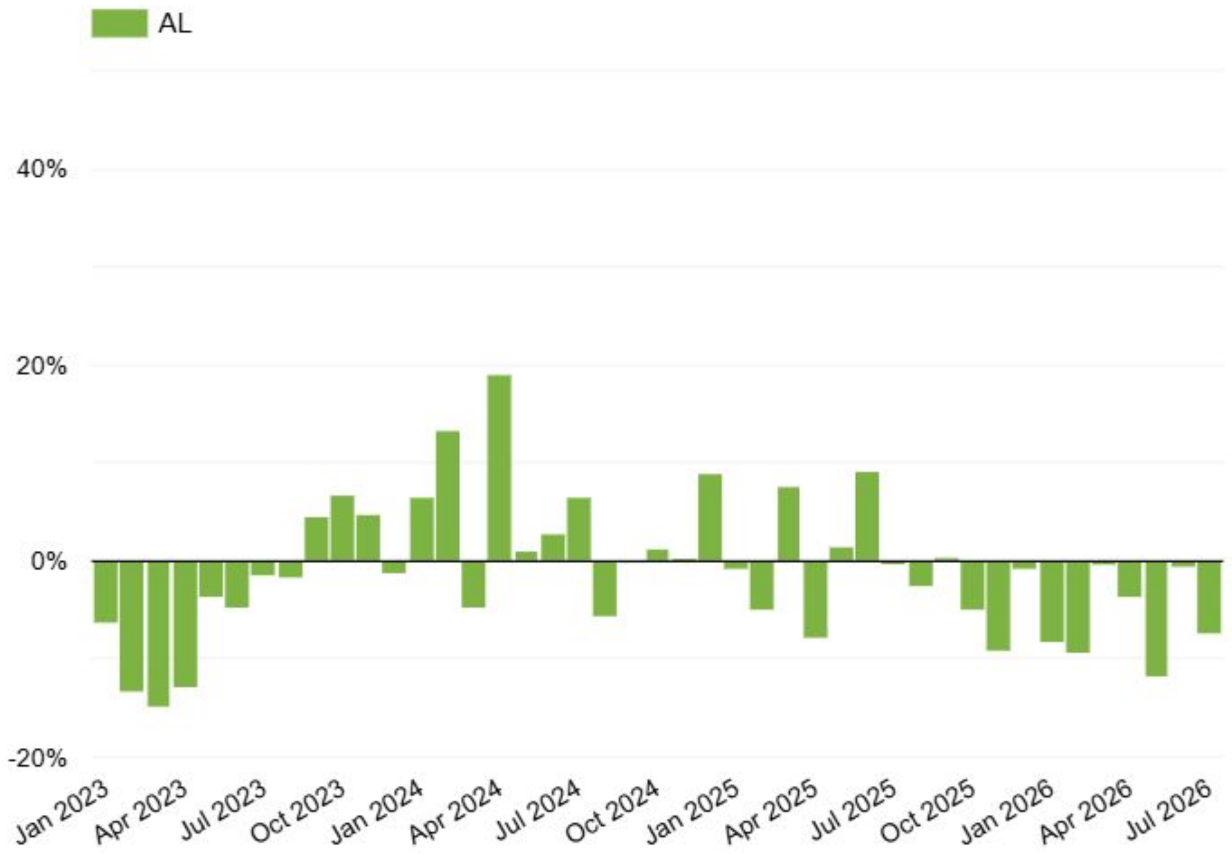
## Key Insights

**Demand Trajectory:** Applications softened nationally with a -7.4% YoY decline as Australian households curbed discretionary debt commitments.

**State Drivers:** National softening occurred across the states, led by WA (-8.7% YoY) and VIC (-8.4% YoY), while SA recorded the mildest dip (-1.3% YoY).

**Age Demographics:** The sharpest downturn occurred among 26–35 year-olds (-9.8% YoY).

**Overall demand July, -7.4% YoY decline**



# Unsecured Credit

## Personal Loans and Credit Cards

### Credit Trends

Unsecured borrowing fell as Australian households trimmed discretionary credit lines to keep tight control over household budgets.

Credit card demand softened for a fourth consecutive month, while personal loan demand contracted for a second straight month across Australia, a trend not seen in two years.

# Personal Loan Demand Trends

### Demand Trajectory:

Demand slipped -0.9% YoY, marking the second consecutive month of decline across Australia.

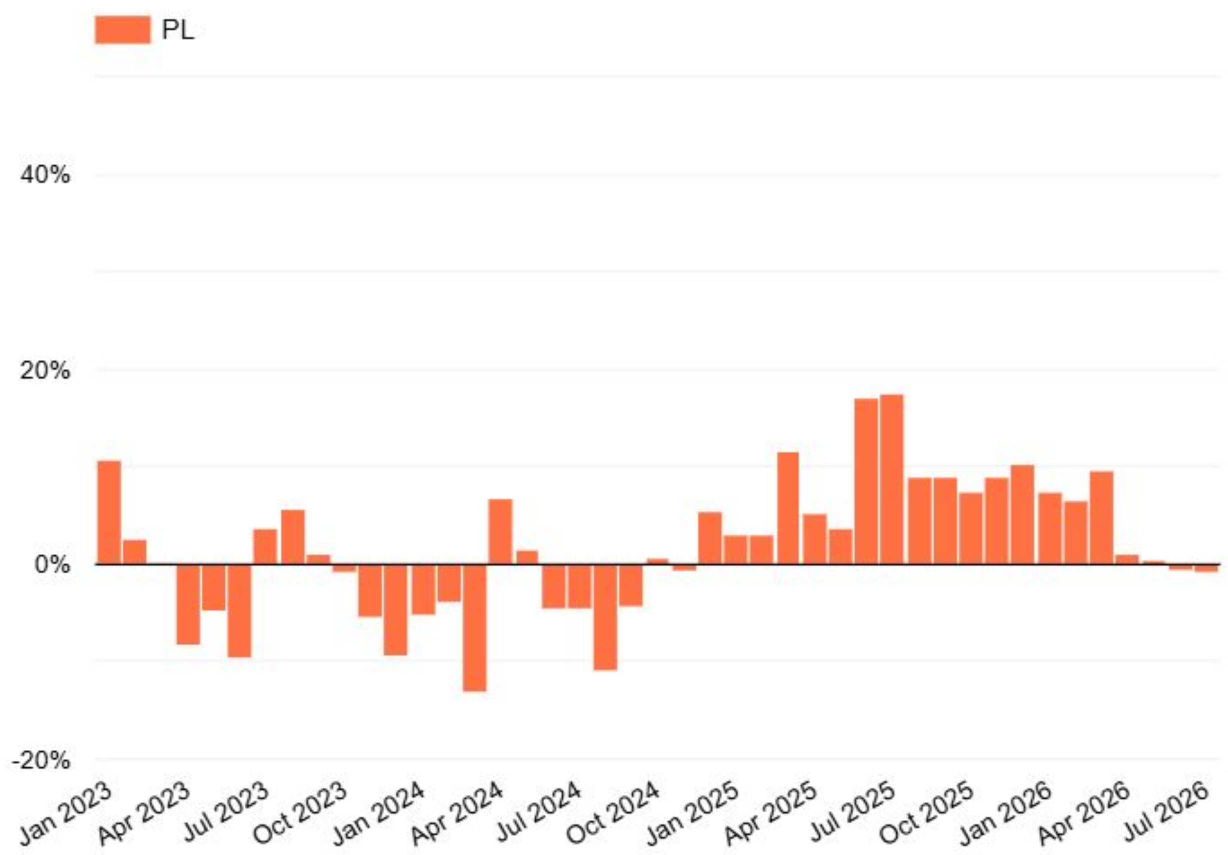
### State Drivers:

Mixed state patterns saw NSW buck national trends with +3.8% YoY growth, whereas TAS experienced a sharp decline of -14.9% YoY.

### Age Demographics:

The 56+ demographic was the sole growth cohort (+11.6% YoY), which may be driven by green personal financing for solar installations, while 26–35 year-olds led declines (-5.0% YoY).

### Overall demand July -0.9% YoY decline



# Credit Card Demand Trends

Demand Trajectory:

Credit card demand declined -1.0% YoY, marking four consecutive months of contraction - the longest period of decline in five years.

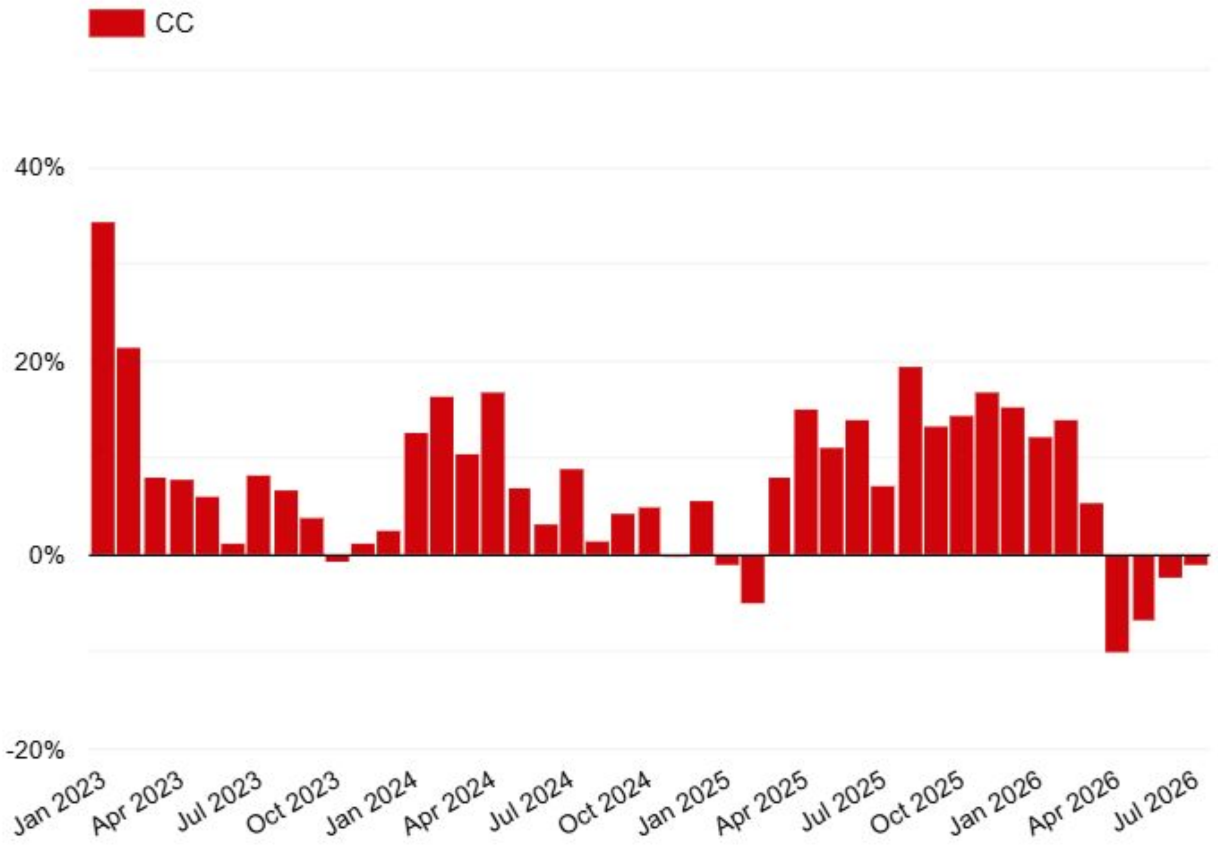
**State Drivers:**

State performance was flat to negative, with ACT (-6.3% YoY) and NSW (-2.2% YoY) dropping most, while WA was the sole state in growth (+1.5% YoY).

**Age Demographics:**

The largest contraction occurred among 26–35 year-olds (-2.9% YoY), whereas 18–25 year-olds saw a minor lift (+0.7% YoY).

**Overall demand July -1.0% YoY decline**



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