
Subject: Domestic Housing Community Meeting [SEC=OFFICIAL]
Location: <https://rba>
Start: Thu 29/07/2021 2:30 PM
End: Thu 29/07/2021 3:30 PM
Show Time As: Tentative
Recurrence: (none)
Meeting Status: Not yet responded
Organizer: BUTTERFIELD, Connor
Required Attendees: Domestic Housing Community

Hi all,

We are planning on hosting a meeting for the domestic housing community next Thursday (29th July) at 2:30 pm.

Similar to last meeting, I am asking for each section to submit a housing-related question for discussion. Please submit your questions by adding them to the bottom of the agenda by 12:00pm Thursday 29th July.

As usual, we will begin with a series of brief updates on developments in the housing market from HANA, RIA and IMS. Following this, we will endeavour to discuss a handful (subject to time) of the submitted questions.

The agenda can be found here: V [D21/207157](#) E [D21/207157](#)

Please message me on teams should you have any questions/concerns.

Thanks,
Connor

From: [RESCHKE, Michael](#)
To: [BUTTERFIELD, Connor](#); [SHAW, Callum](#)
Cc: [LANE, Kevin](#); [UNG, Benjamin](#)
Subject: HMDG material [SEC=OFFICIAL]
Date: Thursday, 29 July 2021 12:50:00 PM
Attachments: [Michael - 4 panel - data till May.emf](#)
[Housing Loan Commitments - ABS May data.emf](#)
[Contribution to Housing Credit Growth - new dwellings - May 2021.emf](#)
[image001.png](#)
[image002.png](#)

Hi Connor

I've attached some graphs for HMDG. Thanks Ben and Callum for pulling some of these together. Order as follows:

1. Commitments
2. Housing 4 panel
3. Contributions to housing
4. Variable rates(rates graphs inline below)
5. Fixed rates

Callum will talk to the rates slides.

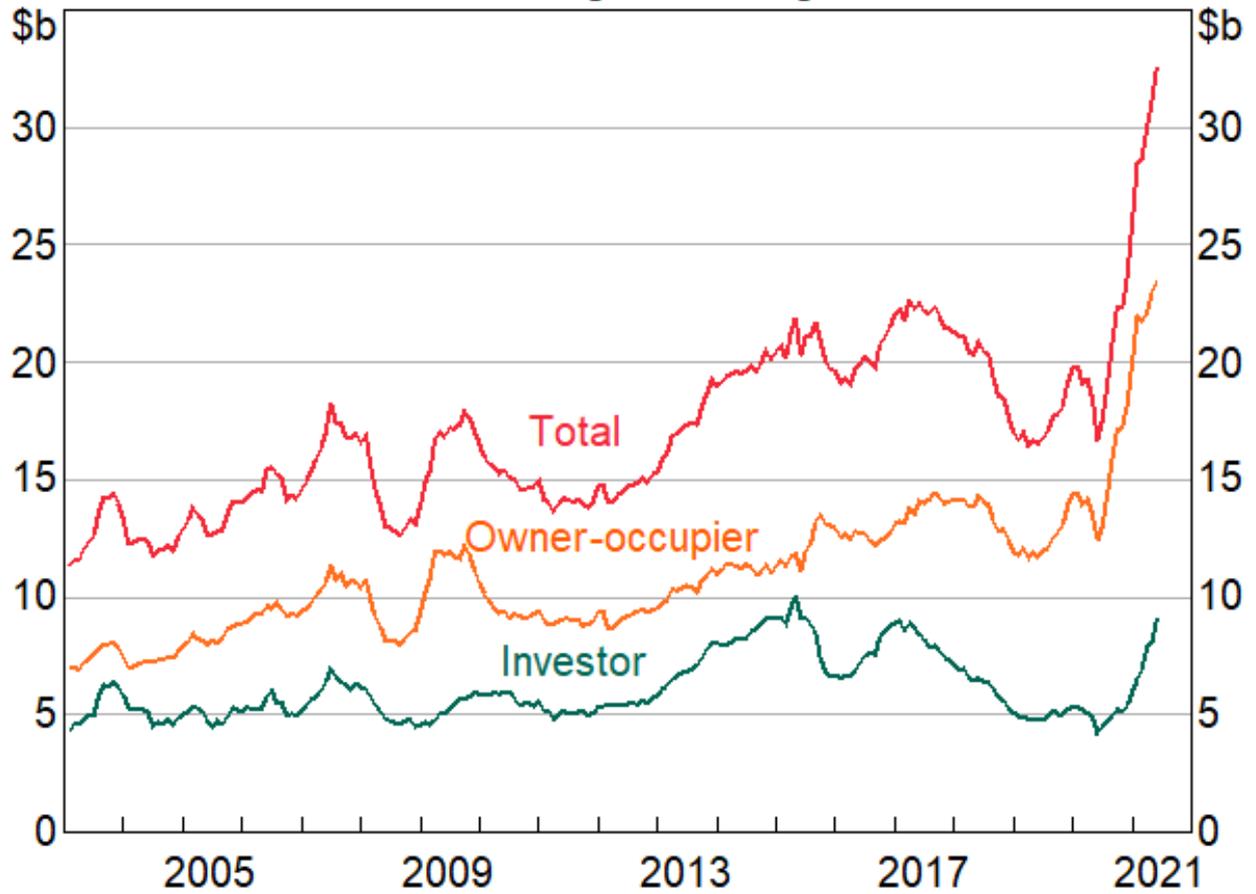
Our discussion question is: "What is HANA's outlook for residential detached and higher density dwelling approvals? How has this been affected by HomeBuilder pull-forward, what are the implications of lockdowns and NSW's construction freeze, and what impacts will these factors have on housing commitments for new dwellings?"

Regards
Michael

Michael Reschke | Senior Analyst | Institutional Markets, Domestic Markets
RESERVE BANK OF AUSTRALIA | 65 Martin Place, Sydney NSW 2000
w: www.rba.gov.au

Housing Loan Commitments*

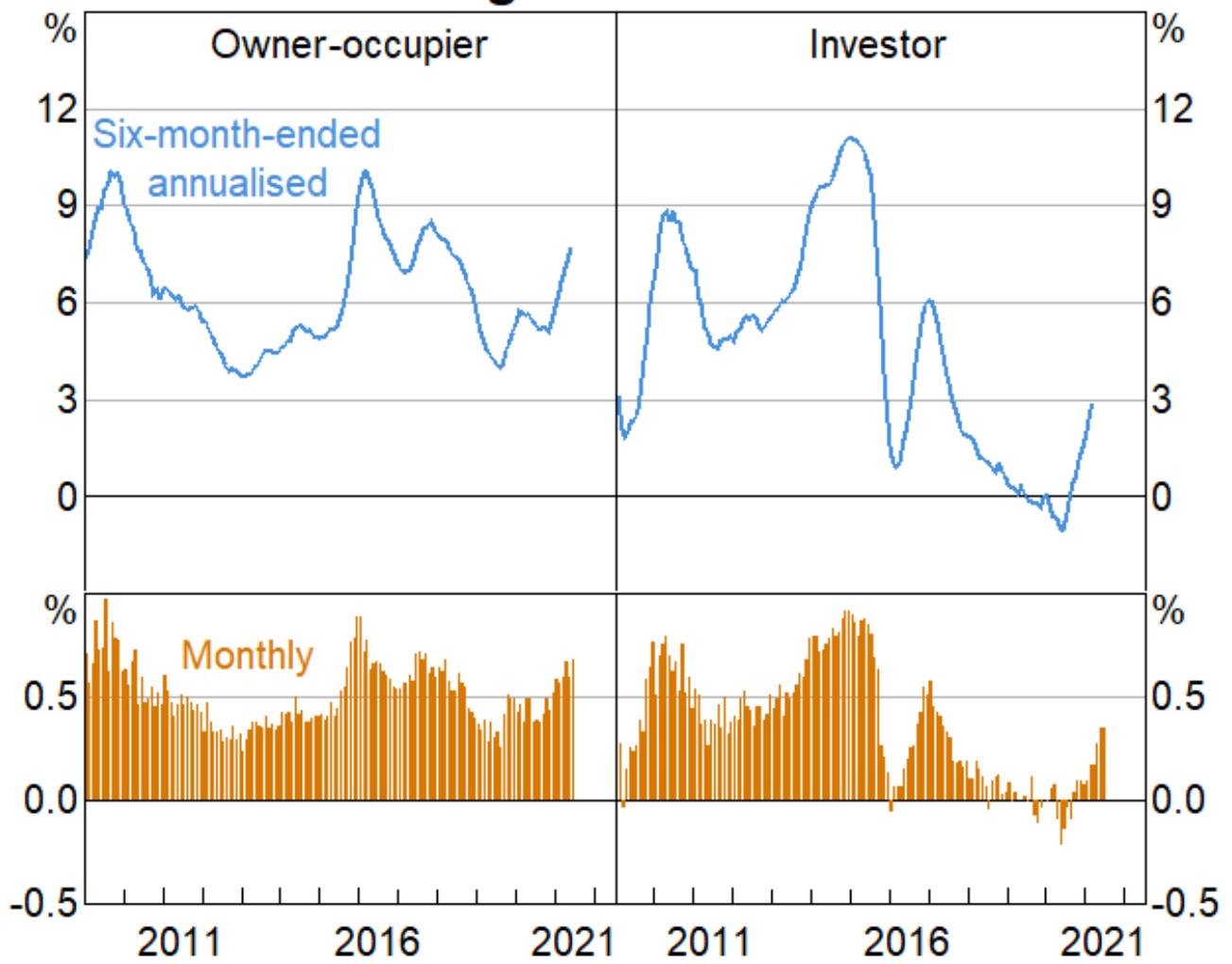
Excluding refinancing



* Seasonally adjusted and break-adjusted

Sources: ABS; RBA

Housing Credit Growth*

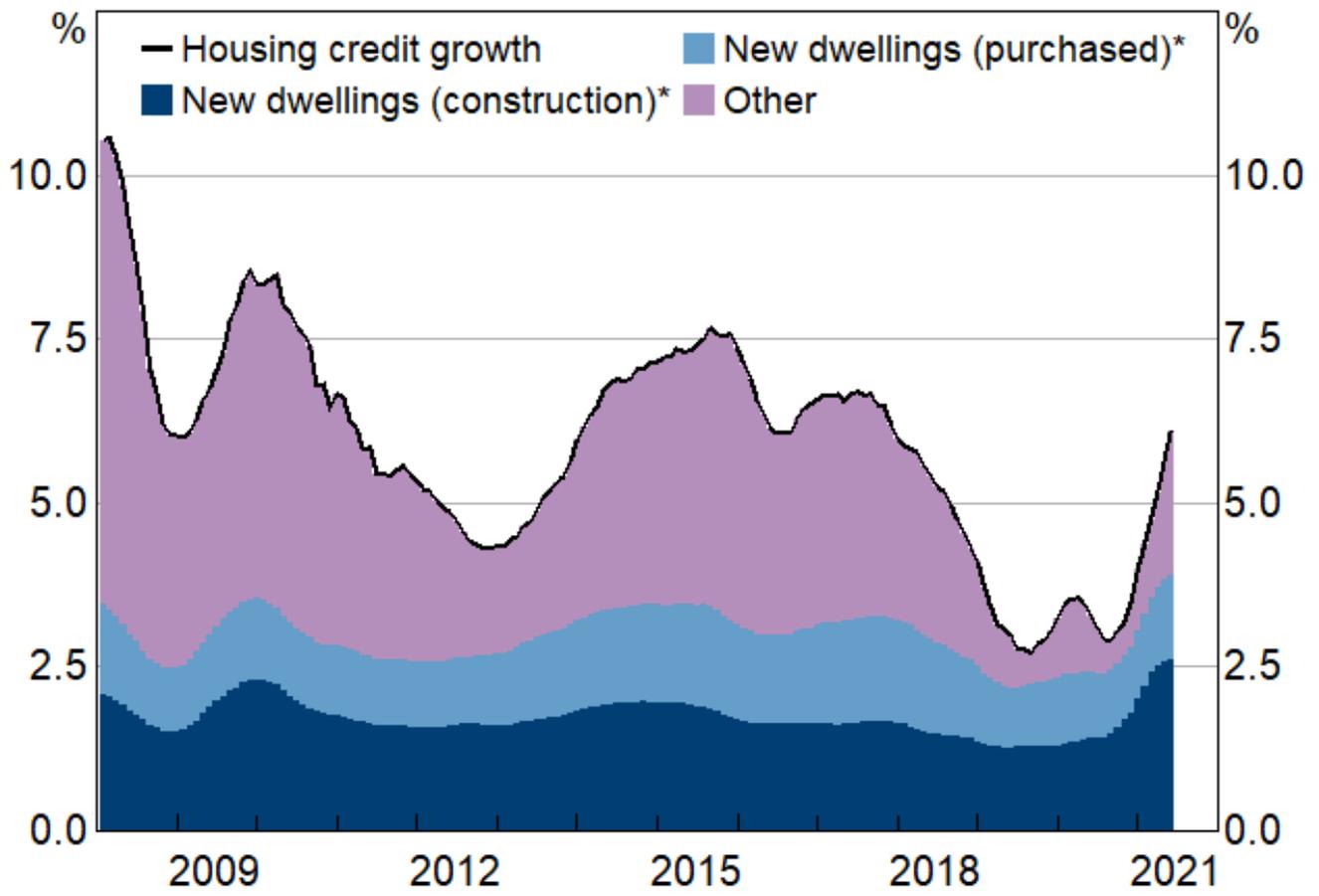


* Seasonally adjusted and break-adjusted

Sources: APRA; RBA

Contribution to Housing Credit Growth

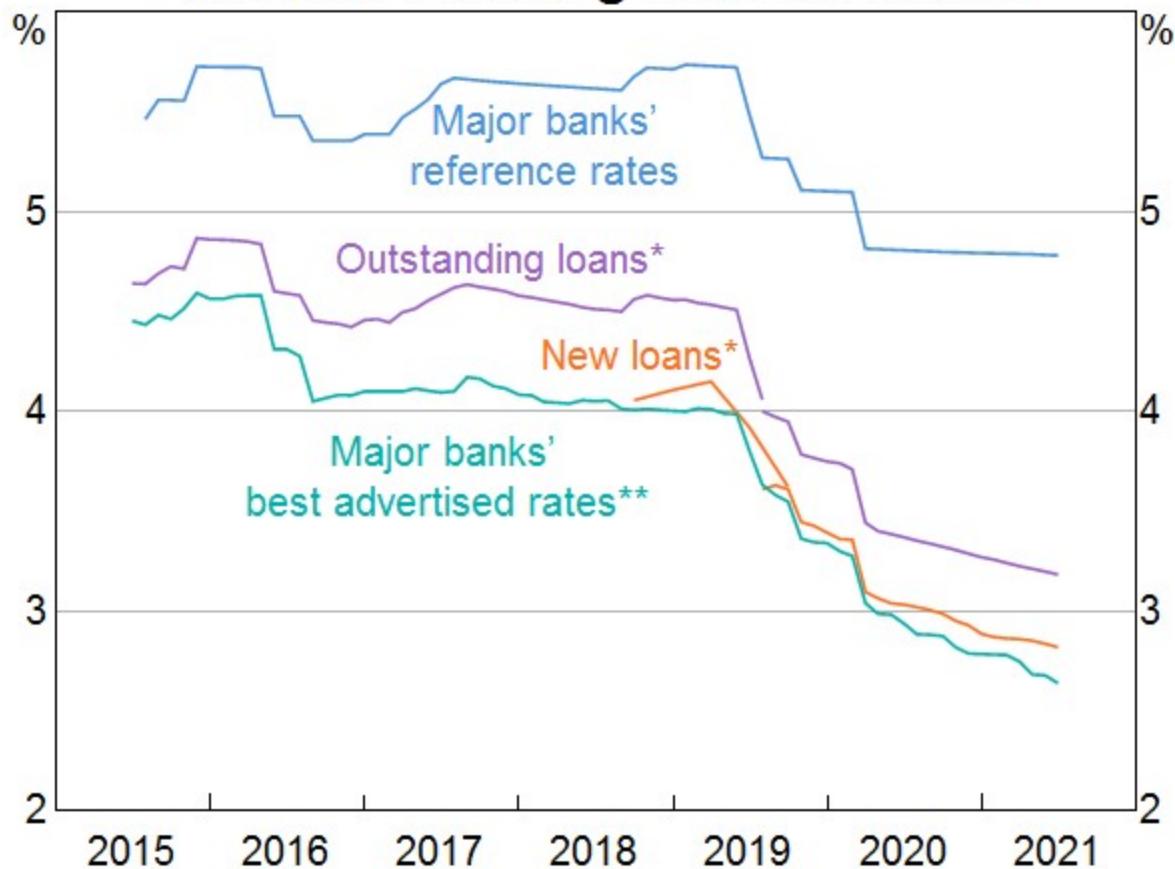
Six-month-ended annualised; estimated



* Estimated using housing loan commitments for the construction and purchase of new dwellings as a share of housing credit outstanding.

Sources: ABS; APRA; RBA

Variable Housing Interest Rates

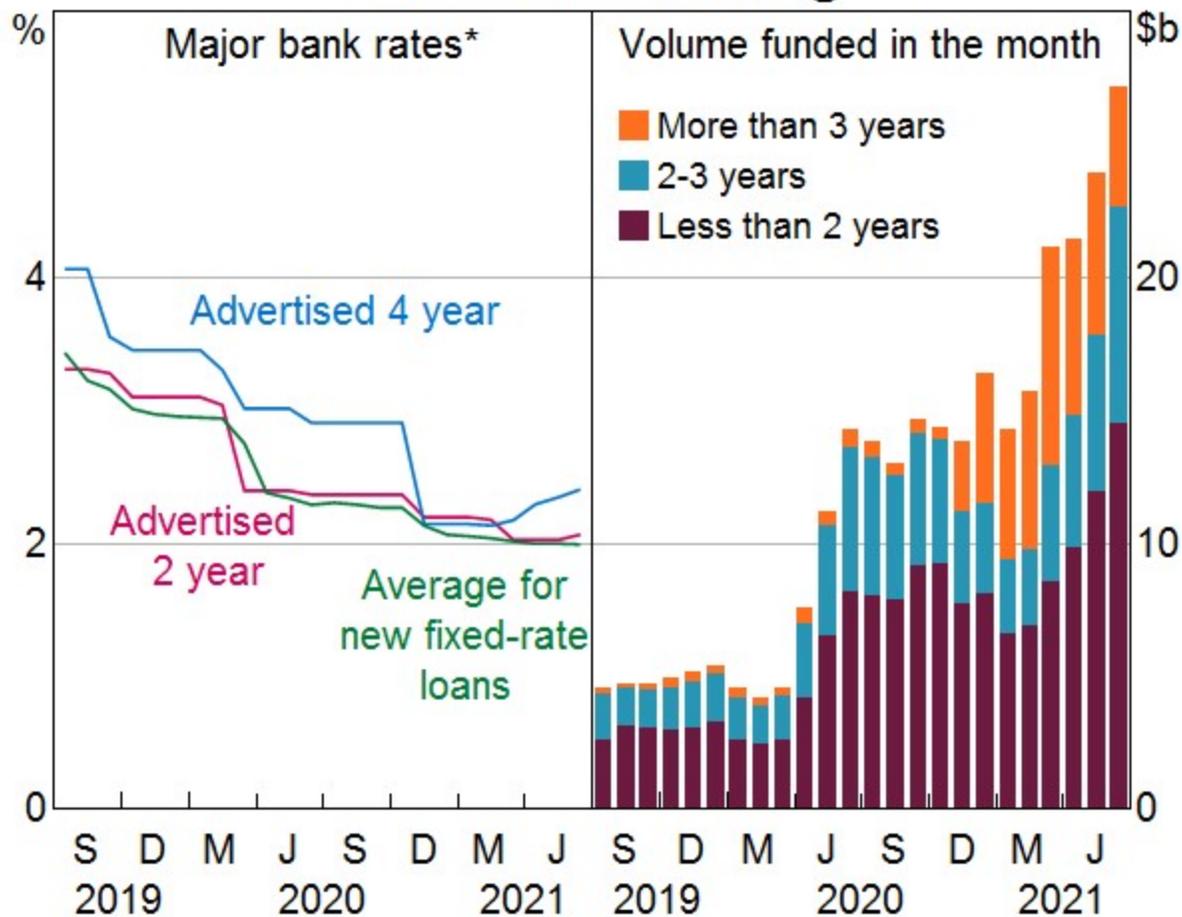


* Series break in July 2019; thereafter, data based on EFS collection

** Including low-cost brands

Sources: APRA; banks' websites; CANSTAR; RBA; Securitisation System

Fixed-rate Lending



* Owner-occupier loans

Sources: APRA; banks' websites; banks' websites; RBA

Agenda – Domestic Housing Community

Date and Time	Thursday, 29 July 2021 2:30 pm – 3:30 pm	Location	Zoom (details in outlook invitation)
Organiser	Connor Butterfield		
Attendees	EC – HANA, RIA, ER; FS – HBC, P&I; DM – IMS		
Purpose	Forum to discuss developments in the domestic housing market.		

Items		Time
1.	Update on recent developments in the housing market: <ul style="list-style-type: none"> • HANA – Established and rental markets (5-10 minutes) • RIA – New housing demand (5-10 minutes) • IMS – financing conditions (5-10 minutes) 	15-30 mins
2.	Questions for discussion please insert the questions you would like to discuss in the section below.	30-45 minutes

Questions for discussion

- How much has the change in housing preferences contributed to the boom in regional housing prices? – Connor Butterfield, HANA
- How are the current lockdowns being factored into HANA’s housing price forecasts and IMS’s credit growth scenarios?
 - Does the experience with the Melbourne lockdowns last year provide an accurate guide to how things might play out or is this time different? – HBC question
- Are there particular sectors where we might expect arrears to rise by more than others? (Question from SMS for HBC)
- Are there particular areas where international context would be useful for understanding the domestic housing market? – P&I question

Domestic Housing Community Meeting

29 July 2021



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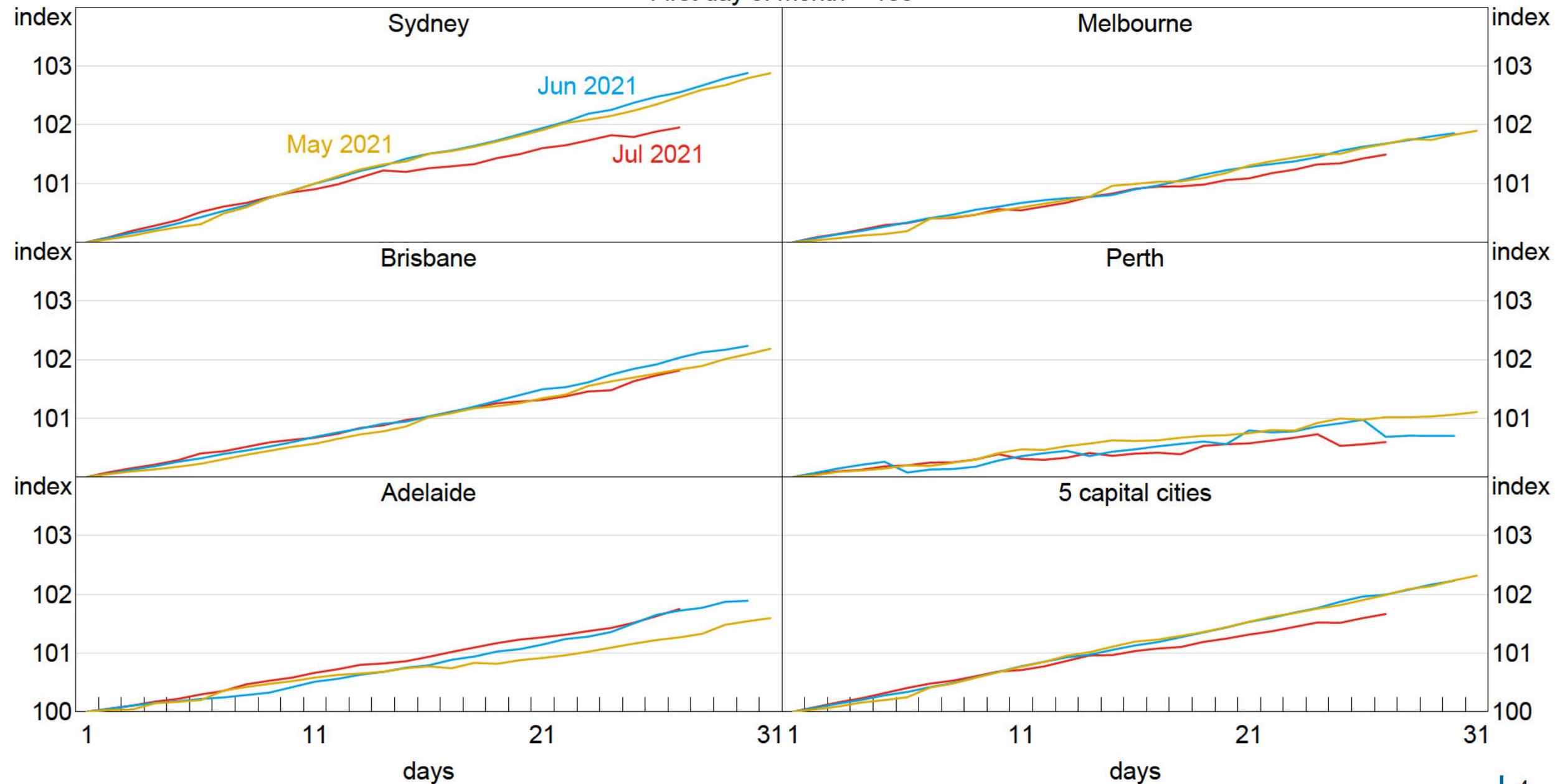
Agenda

- 1 HANA update
- 2 IMS update
- 3 RIA update
- 4 Discussion questions

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Daily Price Data Comparison

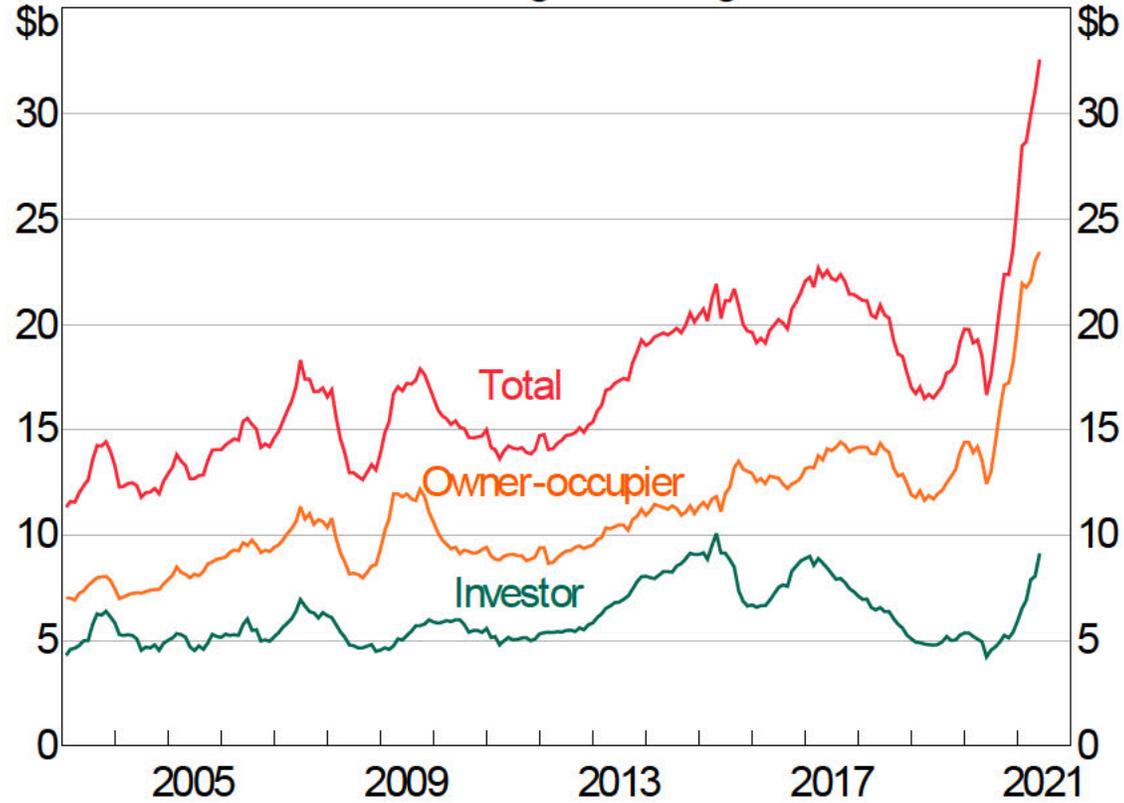
First day of month = 100



- 1 HANA update
- 2 IMS update**
- 3 RIA update
- 4 Discussion questions

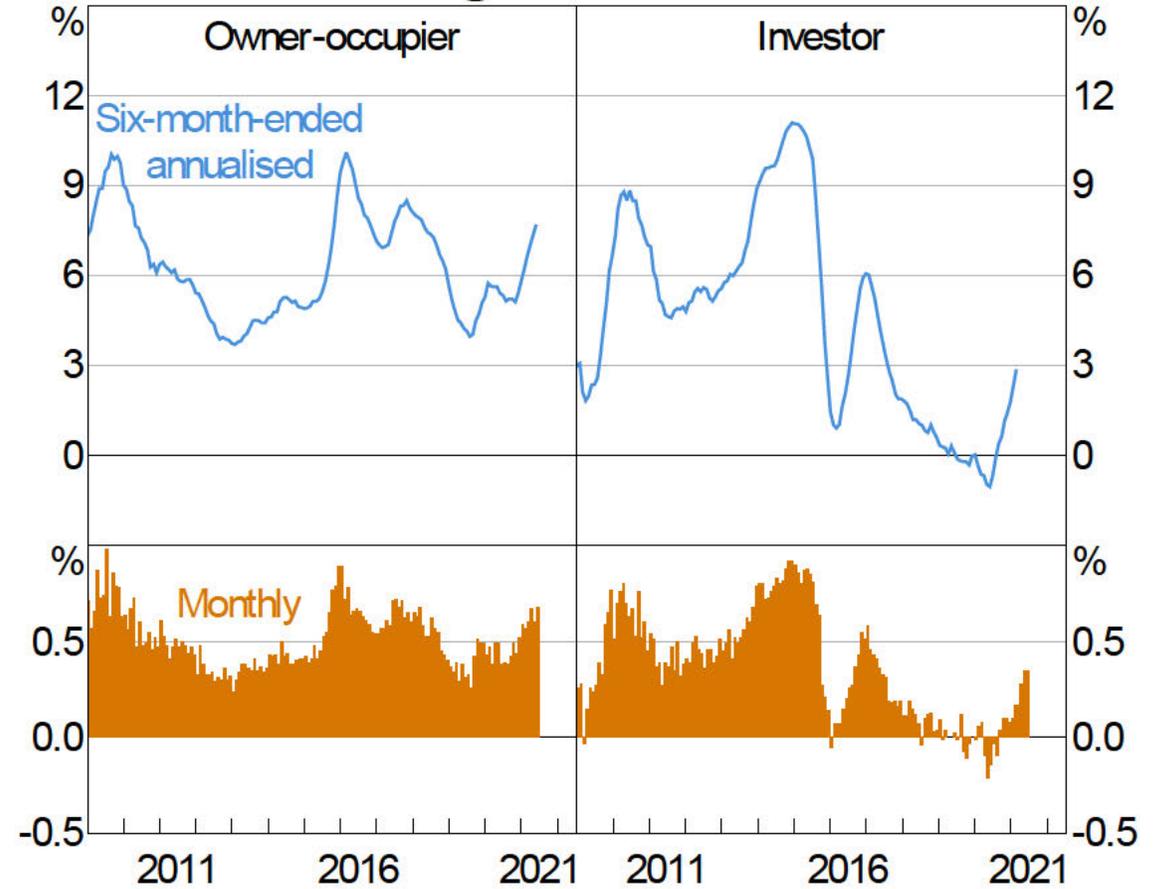
Housing Loan Commitments*

Excluding refinancing



* Seasonally adjusted and break-adjusted
Sources: ABS; RBA

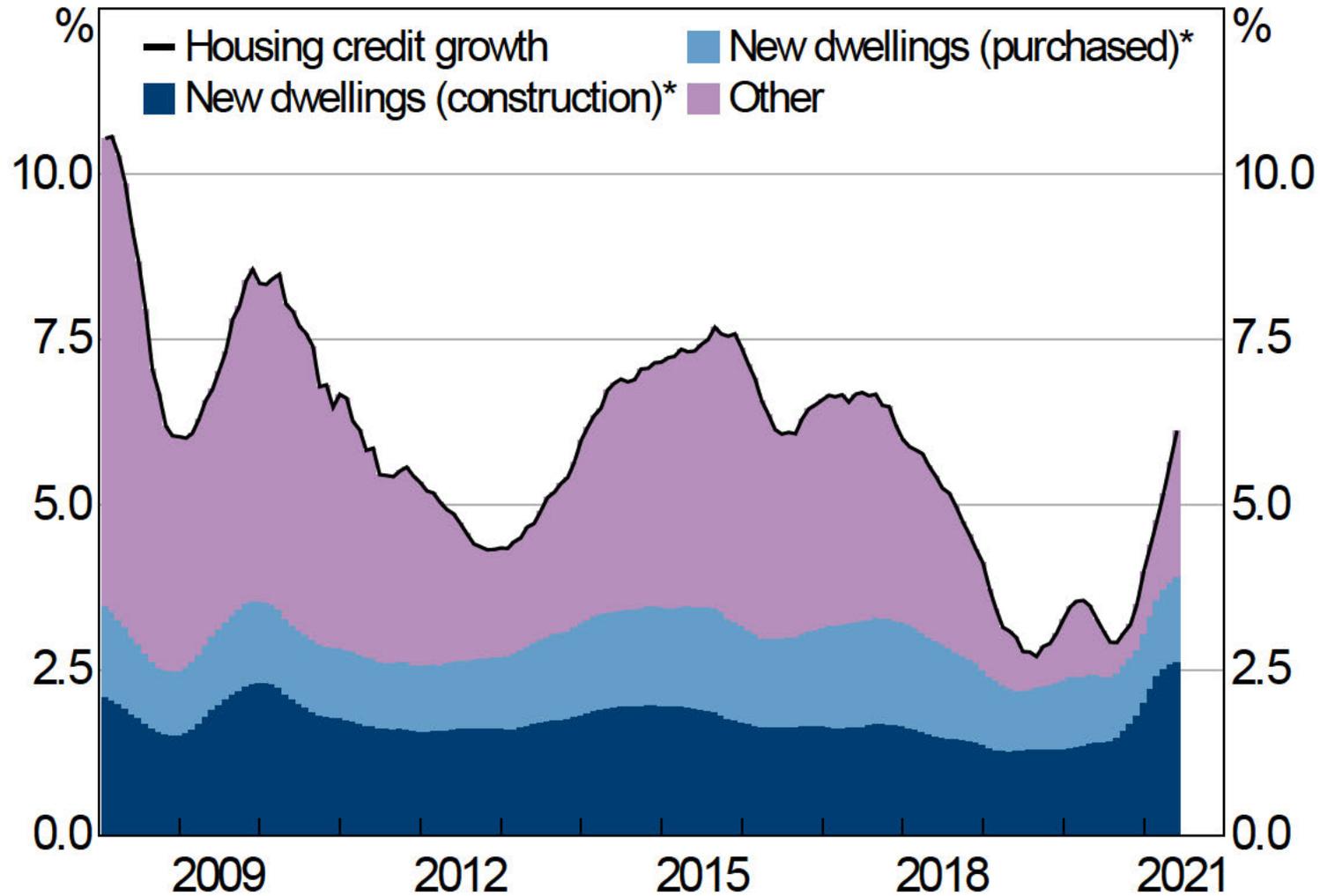
Housing Credit Growth*



* Seasonally adjusted and break-adjusted
Sources: APRA; RBA

Contribution to Housing Credit Growth

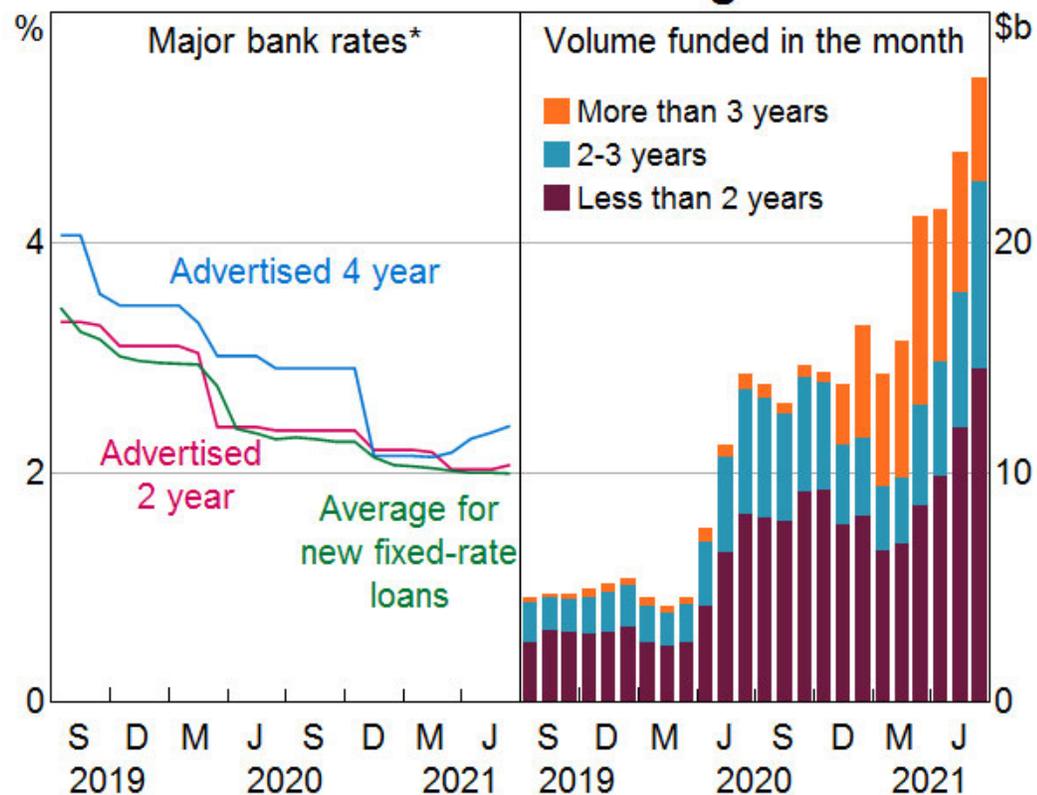
Six-month-ended annualised; estimated



* Estimated using housing loan commitments for the construction and purchase of new dwellings as a share of housing credit outstanding.

Sources: ABS; APRA; RBA

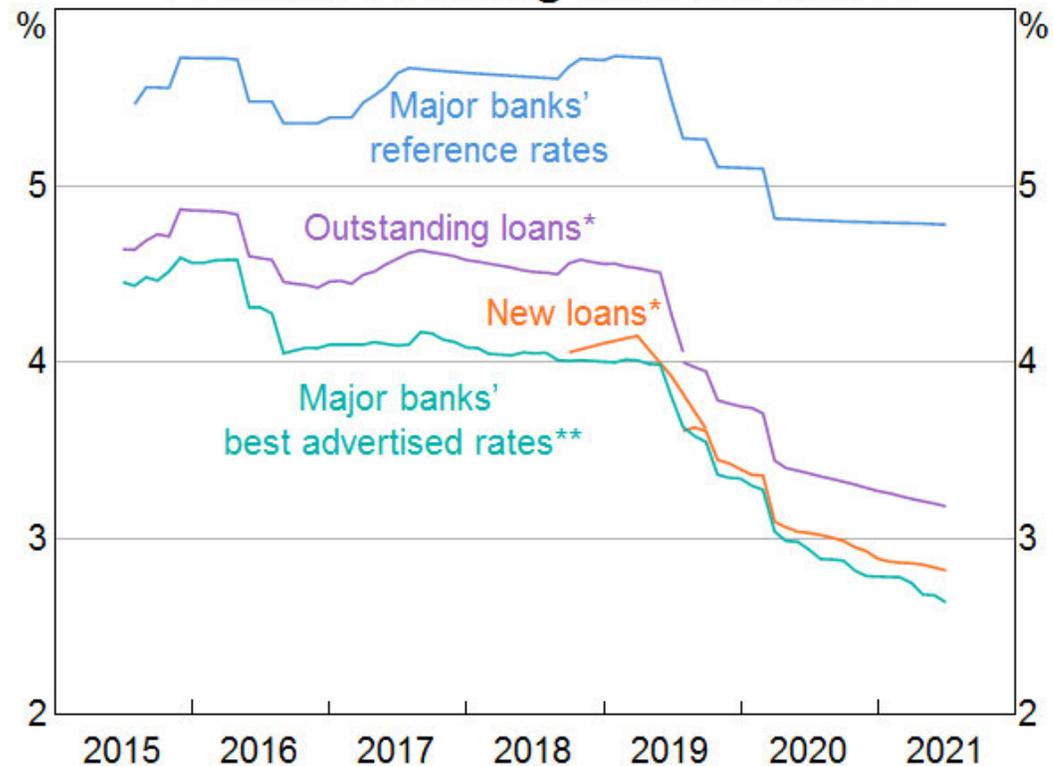
Fixed-rate Lending



* Owner-occupier loans

Sources: APRA; banks' websites; banks' websites; RBA

Variable Housing Interest Rates



* Series break in July 2019; thereafter, data based on EFS collection

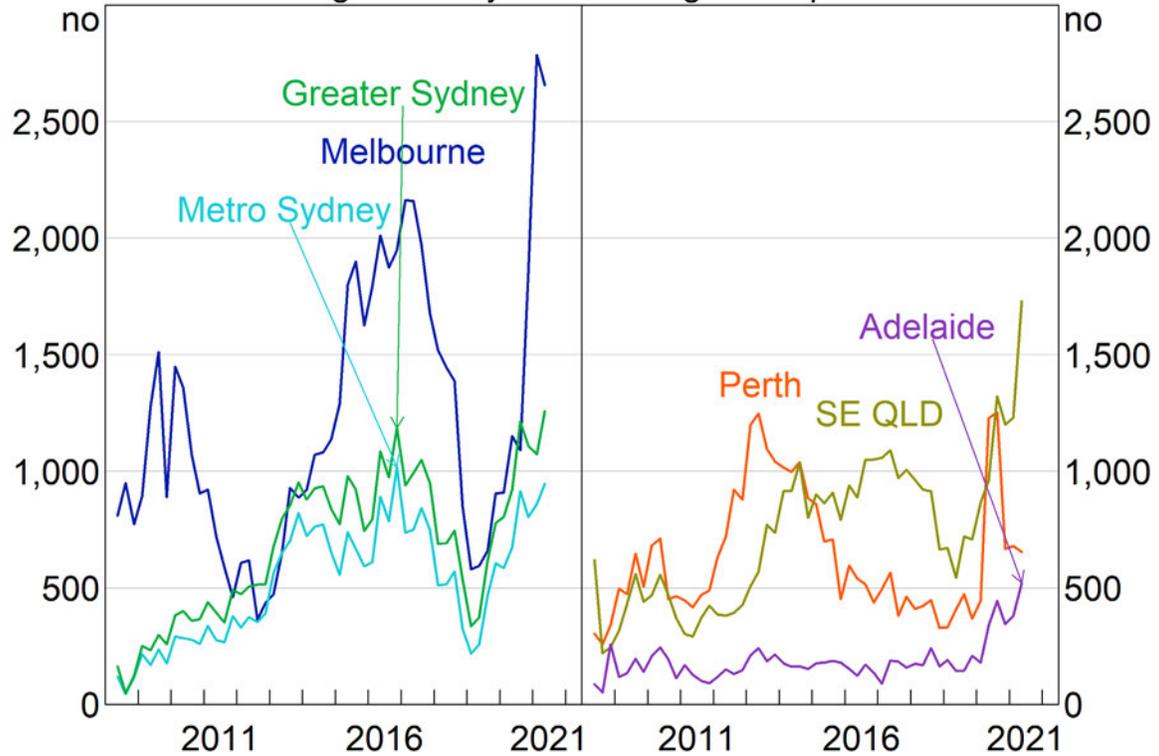
** Including low-cost brands

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Greenfield Lot Sales

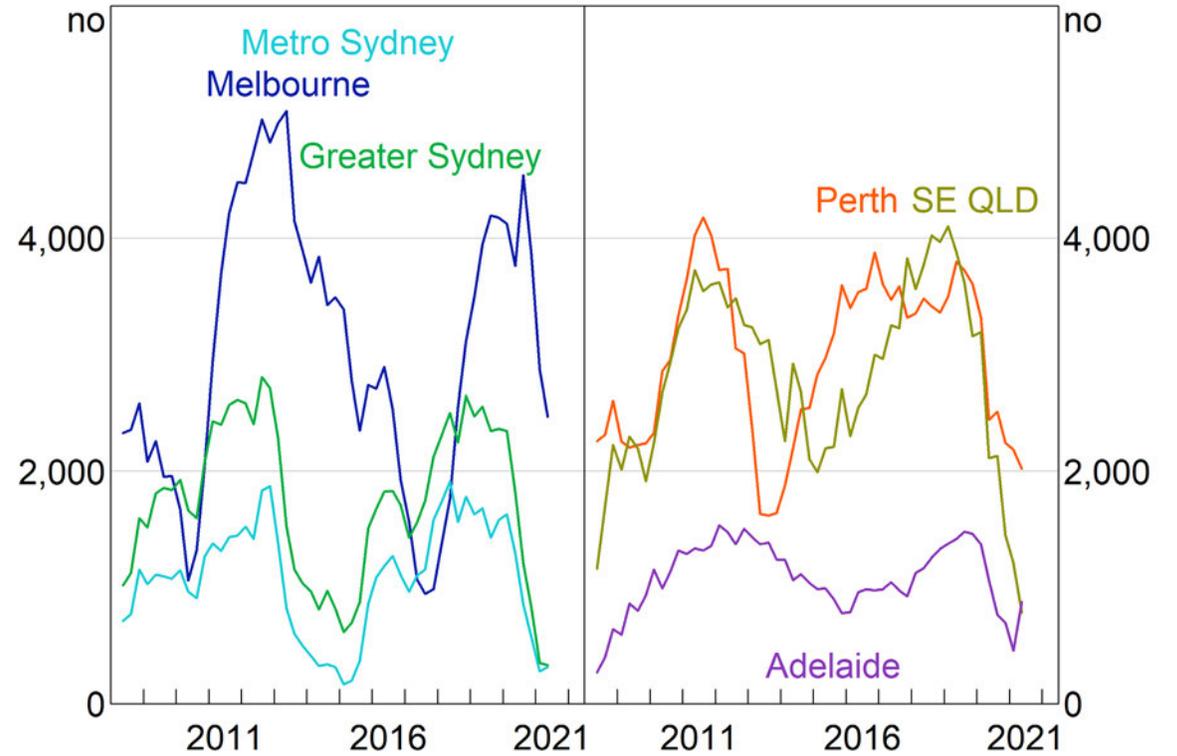
Average monthly sales during each quarter*



* Greater Sydney includes Newcastle and Wollongong
 Source: National Land Survey Program; RBA; Research 4

Greenfield Unsold Stock

Stock of lots available for sale*



* Greater Sydney includes Newcastle and Wollongong
 Source: National Land Survey Program; RBA; Research 4

- 1 HANA update
- 2 IMS update
- 3 RIA update
- 4 Discussion questions**

Discussion questions

IMS: What is HANA's outlook for residential detached and higher density dwelling approvals?

How has this been affected by HomeBuilder pull-forward, what are the implications of lockdowns and NSW's construction freeze, and what impacts will these factors have on housing commitments for new dwellings?

HBC: Does the experience with the Melbourne lockdowns last year provide an accurate guide to how things might play out or is this time different?

RIA: How have lending conditions for homebuyers changed over recent months? We've heard mixed messages from contacts regarding the availability of credit and lending standards.

HBC/SMS: Are there particular sectors where we might expect arrears to rise by more than others?

P&I: Are there particular areas where international context would be useful for understanding the domestic housing market?

HANA: To what extent has the change in housing preferences contributed to the strength in regional housing price growth?