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The Deloitte Australian Mortgage Report 2015

CUSTOMERS

2014
Loan origination grew
▲ 15-20%

...2015 origination (from 2014) to go up
▲ 6-10%

...tempered by potential rising unemployment and macro prudential rules

MARKET

HOUSING LENDING *(Year to Nov 2014)*
▲ 7%

BUILDING APPROVALS
▲ 8%

RESIDENTIAL BUILDING ACTIVITY *(Year to Sept 2014)*
▲ 8%

(Sept 2013)
6%

(Sept 2012)
-3%

(Sept 2011)
-5%

The Australian residential real estate market is worth $5.7 trillion and its home loan value is worth $1.4 trillion

Bill Armour (ANZ)

Households can afford to borrow more but are vulnerable to any interest rate increase

FUNDING

BANKS
Are aiming for 'sticky' deposits through notice of withdrawal accounts

RESIDENTIAL MORTGAGES
Australian residential mortgages are ahead of schedule...75%

FUNDING GAP
Between TDs and 'At Call' savings
60 (bps 2014) vs. 200 (bps 2010)

WHOLESALE ISSUANCES
Tighter spreads enable attractive rates for deposits
Majors funding 60% *of their book by deposits vs.* 40% pre-GFC

Let the good times roll

Home ownership is Australia's largest and one of its most important capital markets

Frank Ganis (Macquarie Bank)

More than 52% of mortgages written are going through a mortgage broker

Mario Rehayem (Pepper Group)

I think digital is going to impact all of our businesses more dramatically than our generation understands

James Sheffield (CBA)

See here for more details:
http://www2.deloitte.com/au/en/pages/financial-services/articles/mortgage-report-2015.html

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