

5 June 2024

New Credit Flows statistics summary

Key points for April 2024

- There was \$10.3bn of new lending in April-24, up 4.9% from \$9.8bn in March-24. Compared to April-23, total new lending was up by 15.9% from \$8.8bn.
- The category with the largest monthly percentage increase was other business, which rose by \$456m, up 25.1% from \$1.8bn in March-24.

Residential mortgage lending

- Total monthly new residential lending was \$6.0bn in April-24, up 4.4% from \$5.7bn in March-24 (Figure 1). Compared to April-23, the total monthly new residential lending was up 22.0% from \$4.9bn.
- The share of total new residential lending on fixed interest rate terms increased slightly to 81.9%, up from 81.7% in March-24 (Figure 2).
- New owner occupier lending increased to \$4.4bn in April-24. 1-year fixed terms continue to be the most popular term of owner occupier lending, accounting for 39.4% of all new lending, down from 42.1% in March-24 (Figure 3).
- The share of owner occupier lending on fixed terms above 18-month fixed terms decreased or held steady – some at or close to historical lows. For example, the share of 2-year fixed decreased to 8.6% from 10.2%, and the share of 3-year fixed terms decreased to 2.8% from 3.3% - both are at historical lows. 4-year fixed terms held steady and are at a historical low at 0.3%.
- The share of owner occupier loans on floating terms increased from 17.5% in March-24 to 17.7% in April-24. The share on 6-month fixed terms rose to a new historical high of 16.5%, after a previous peak of 15.1% in February-24 (survey inception April-21).
- New residential investor mortgage lending rose to \$1.5bn in April-24. 1-year fixed terms continue to be the most popular, making up 45.0% of new lending, down from 45.7% in March-24.
- The share of new residential investor lending on 6-month fixed terms increased from 16.9% to 18.7% in April-24. The share of 3-year and 4-year fixed terms decreased from 2.2% to 1.6% and from 0.3% to 0.1%, respectively - these figures are at historical lows (Figure 4).

Business, agriculture, and personal consumer lending

- Total new business lending (excluding agriculture) was \$3.0bn in April-24, up 8.5% from \$2.8bn in March-24. Compared to April-23, this is an increase of 14.8% from \$2.6bn.

- Other business increased from \$1.8bn in March-24 to \$2.3bn in April-24, year-to-year other business rose by \$214m (10.4%) from \$2.1bn in April-23.
- Of the subcategories of commercial property lending, investment property decreased by \$217m (28.5%) to \$545m. Similarly, commercial property development declined by \$22m (20.0%) to \$88m. However, residential property development reported a 21.0% increase from \$81m to \$98m in April-24 (Figure 5).
- Total agriculture new lending was \$704m in April-24, an increase of 1.4% from \$694m in March-24. Dairy farming increased by \$64m from \$291m in March-24 to \$355m in April-24. Horticulture decreased by \$16m (12.0%) to \$117m in April-24 and sheep, beef cattle and grain farming decreased month-to-month by \$35m (15.0%) to \$198m (Figure 6).
- New consumer lending rose to \$210m in April-24, an increase of 1.9% from \$206m in March-24. Compared to April-23, there was an increase of 2.9% from \$204m.

Fig-1 New lending by purpose

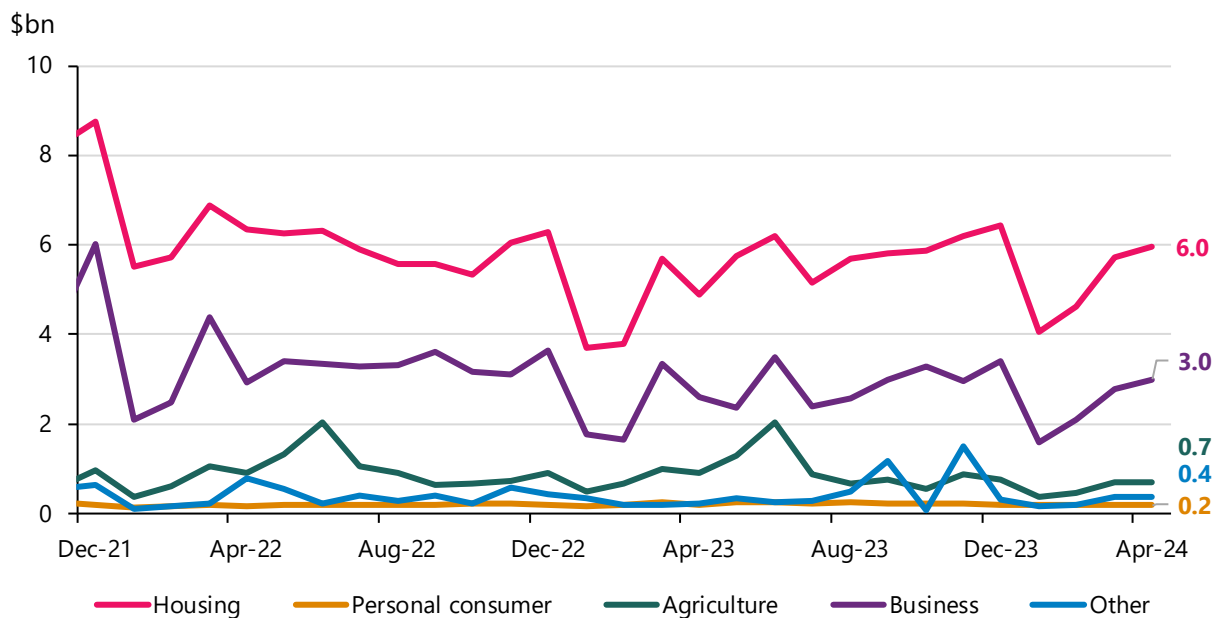


Fig-2 The share of new loans fully secured by residential mortgage on floating/fixed terms

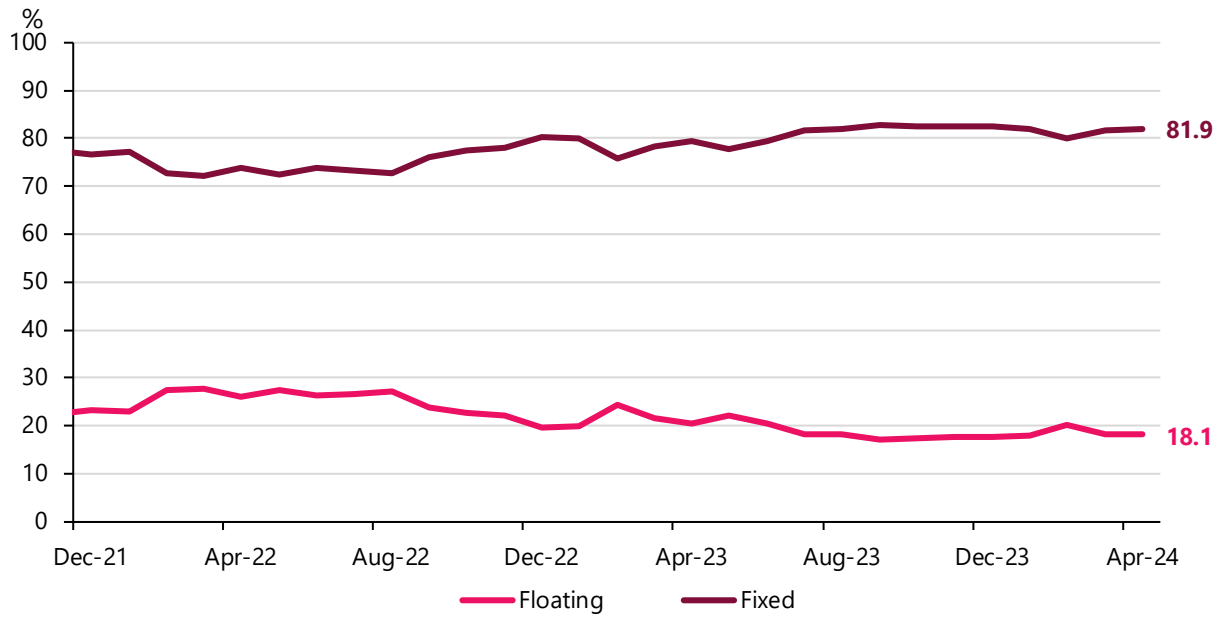


Fig-3 The share of owner occupier mortgage lending values for selected interest rate terms

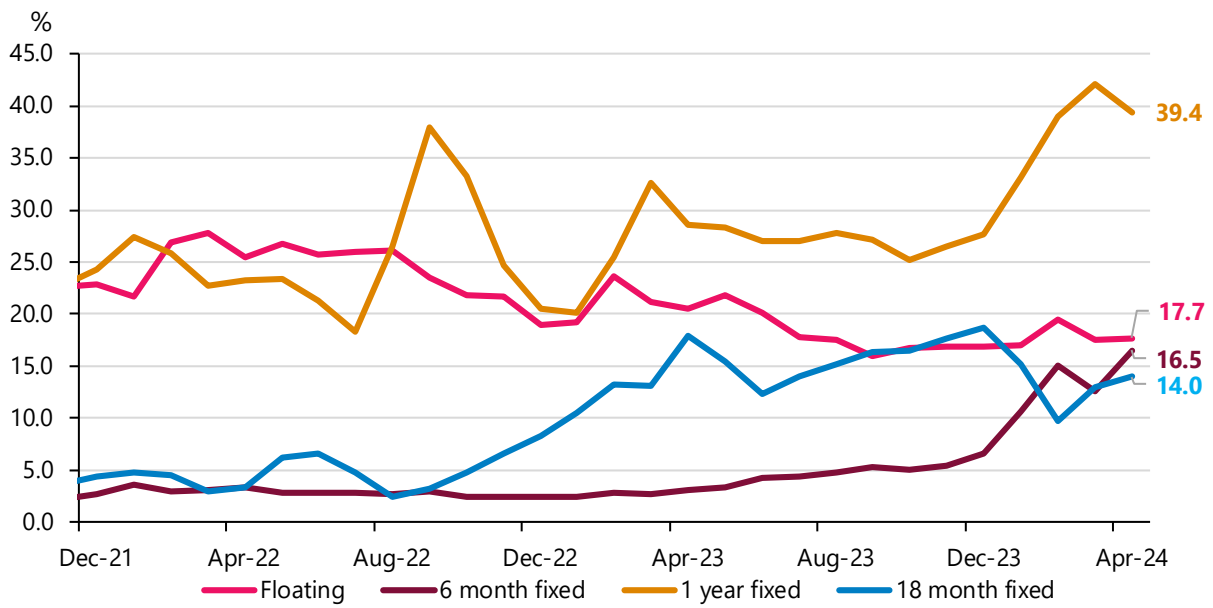


Fig-4 The share of residential investor mortgage lending values for selected interest rate terms

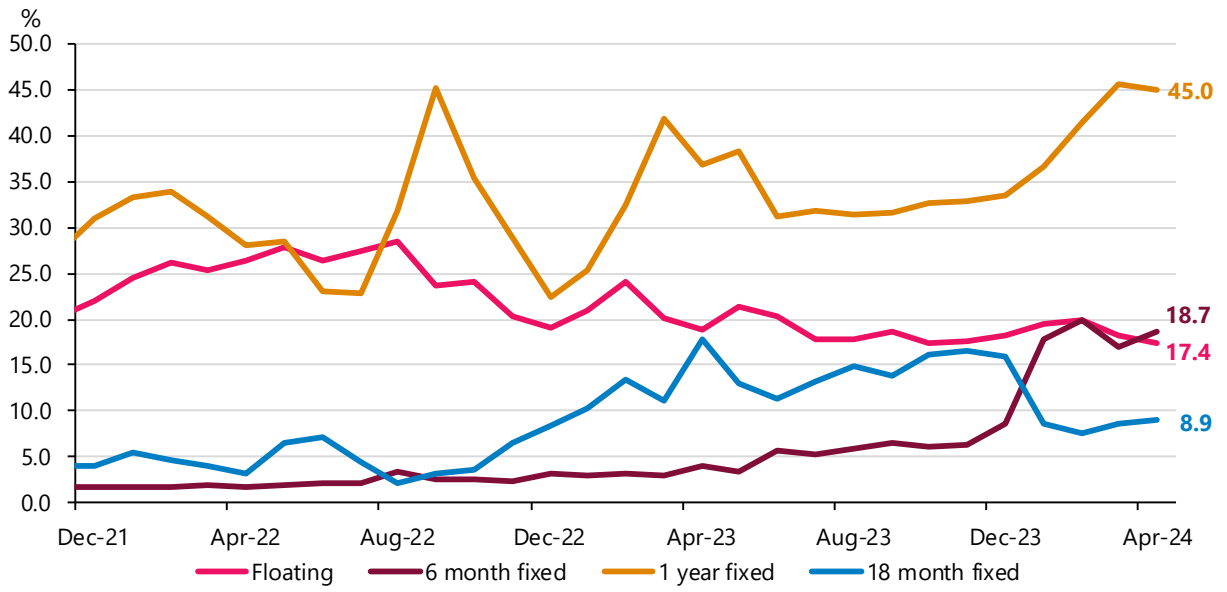


Fig-5 New commercial property lending

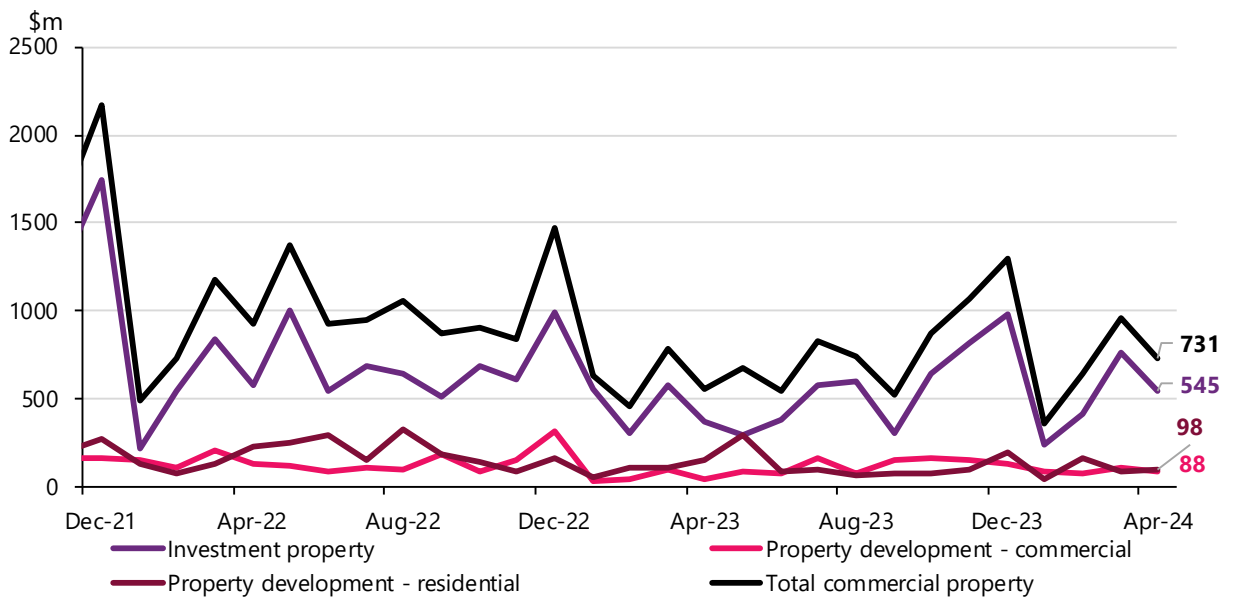


Fig-6 Agriculture new lending

