

2008

Quarterly Housing Finance Review

Infrastructure and Housing Finance
Department



Preface

As part of its incessant efforts to create an enabling environment for the development and promotion of market-based housing finance, the Infrastructure and Housing Finance Department of State Bank of Pakistan presents its review for the quarter ending December 2007.

This review aims to present data on housing finance, collated on a periodic basis from public sector banks, private banks, foreign banks, DFIs and House Building Finance Corporation (HBFC). A comparative analysis with previous quarters is also made to track progress in the development of housing finance in Pakistan.

Team Members

Dr. Muhammad Saleem
Sabbah Rahooja
Ghulam Hussain Afridi

Joint Director
Regulating Officer
Regulating Officer

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1. Overview

The Pakistani housing finance situation has much common with that of many other emerging markets around the world. Despite a large and persistent housing deficit (6 million households), a number of factors such as low income levels, legal property issues, and large informal economy result in scarce demand for mortgage loans. Financial institution's growth in mortgage lending- and the subsequent improvement in terms and conditions which might increase further demand in turn has been hampered by a lack of long term funding, inadequate incentives to lend to lower income households, with most banks performing to concentrate their activity on high income groups and the corporate sector (average loan size is Rs. 2.6 million).

The housing finance market in Pakistan at end December, 2007 amounted to Rs. 126 billion doubling its size from 2005; a massive growth of 112 % in almost three years. This growth has most probably been favored by greater demand resulting from the accompanying rise in GDP per capita in Pakistan over the past few years, remittance growth and growing competition among banks have also contributed to this trend.

Ultimately, however, most of the recent expansion of mortgage lending in Pakistan can be traced to SBP's efforts to increase the supply of mortgage lending through relaxing restriction on housing finance.

Despite these developments in mortgage market, growth, albeit significant, is still small in both relative and absolute terms: mortgage lending in Pakistan barely amounted to 1% of GDP in 2007, far from the 14 % registered in Chile, 5 % in Colombia, 2.5 % in India and 65% in USA. Though the mortgage market is moving in the right direction and efforts are under way to promote housing finance activities, a large part of the population continues to be unable to obtain a mortgage loan due to high cost of borrowing, lack of financial support from the government for low cost housing and land titling issues. Having successfully encouraged banks to service the middle class, the government efforts must now focus on developing mechanism to address the needs of lower income groups and foster further expansion of the housing finance market. The government should also play a role in promoting mortgage lending by breaking barriers to entry and offering well-designed incentives such as mortgage risk insurance and creating an enabling environment for housing finance activities in Pakistan.

2. Housing Finance Disbursement and Outstanding Patterns

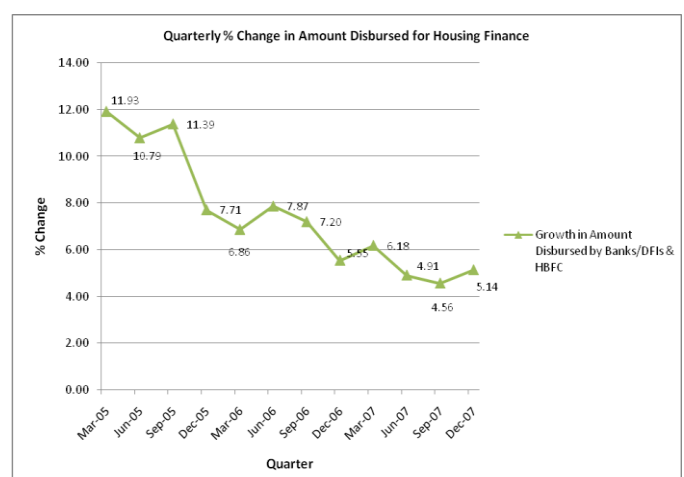
2.1. Disbursements

Although housing finance credit disbursements has witnessed slight fluctuations in its growth rate, between March 2005 and December 2007, it has at the same time displayed an increasing trend at a decreasing rate (Figure 1). This decreasing trend overall in its growth rate has varied from 4.56% (lowest) to an 11.93% (highest) during the said period. The smallest growth of only 4.56% was witnessed during the quarter September 2007 followed by a 5.14% growth. Over the quarters, September and December 2007, an average growth rate of 4.8% in total disbursements, was observed.

Figure 1 also shows that growth in disbursements fell sharply during the September 2005 quarter: from 11.4% growth during September 2005 to 7.7% during December 2005, after which growth in disbursements have displayed a 'tapering' trend. This decreasing trend in growth rates can be drawn from a few significant events that affected disbursements.

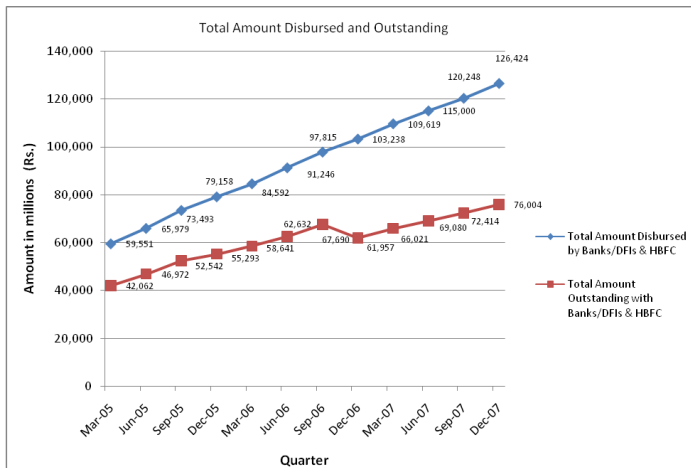
Firstly, maturing loans attributed to a decelerating growth rate. Secondly, a tighter monetary policy initiated by State Bank of Pakistan, 2006 onwards, might have contributed to the slower growth rate in mortgage financing as the banks have been offering it on a floating basis. This is evident in figure 1 below, where growth rates are decelerating from a 7.8% high (June 2006) to 5.14% by December 2007. Lastly, factoring in HBFC's policy change, whereby change involved shifting focus towards disbursing smaller loans under Small Medium Housing Finance, made notable contributions towards the observed growth rates.

Figure 1



However, in absolute terms, the total amount disbursed by financial institutions since March 2005 has seen significant increase over time. As shown in Figure 2, disbursement rose from Rs.60 billion in March 2005 to Rs. 126 billion by December 2007; a growth of almost 112%.

Figure 2



This growth has been observed alongside increased injection of remittances from abroad into the economy and a growing number of financial institutions offering housing loans. Most of the banks that have entered the housing finance market are now taking a strategic long term view of housing finance in Pakistan and subsequently have developed plans to expand their housing finance portfolios over time. This holds true especially in the case of Private Banks (Figure A.1 in appendices A) that display an increasing trend in amount disbursed for housing loans. The growth in disbursements by HBFC, foreign banks, DFIs and public sector banks has remained relatively low. Participation, albeit relatively low, of Islamic banks has also emerged since March 2007.

Among financial institutions, Private Banks & DFIs are characterized as capturing a large share of 67% of the total disbursed amount, with the remaining share of 33% attributable to HBFC (Table 1). The average loan size of banks & DFIs is of Rs. 2.6 million and that of HBFC is Rs. 92,000 (approximate figures for December 2007). This suggests that private banks are still concentrating on high end of the market, as endorsed by its average loan size. Table 1 also shows that within Private Banks & DFIs, Private Banks constitute 69% share of disbursed amount.

2.2. Outstanding

As far as the outstanding amounts are concerned, it has also witnessed increasing growth, though at a decreasing rate. As evident in figure 3, the growth rate in the first quarter of 2005 was 14.4% which has decreased to 4.96% in the last quarter of December, 2007. A comparison of the outstanding housing loans with the growth rates of private sector consumer credit helps explain the decreasing growth rate to a considerable extent; where both 'map' well on each other. Additionally, maturing of loans also helps explain the decreasing rate of outstanding loans.

Perhaps the highlight of these growth trends would be the negative growth rate of 8.4% recorded during the quarter December 2006. This is best explained by HBFC's reporting of non-performing loans from December 2006, thus reducing

the outstandings figure from Rs.18 billion to Rs.11 billion. Prior to December 2006, HBFC was reporting total outstanding including NPLs. The subsequent increase in growth rate from -8.4% to 6.4% during the quarter of March 2007 is due to the rising participation of three Islamic banks.

Figure 2 shows that the total outstanding amount has shown an upward trend and has reported a growth of 81%; from Rs. 42 billion in March 2005 to Rs.76 billion in December 2007. Among financial Institutions, Private Banks & DFIs have an 84% share and HBFC has 16% share in the total amount outstanding (Table 1). Within Banks & DFIs, private banks have a 69% share, followed by 14% share of public sector banks. Public sector banks have experienced a slight acceleration in its outstandings since December 2006 (Figure A.1 in appendices A). HBFC experienced a fairly constant level of outstandings until September 2006 after which it was followed by a sharp decline (from Rs 20 billion to Rs. 10 billion) during the quarter December 2006.

Within the banks and DFIs, private banks are clearly seen to be taking a lead role followed by public sector banks. Table A.1 in appendices reports growth rates of disbursements and outstanding for the quarters ending September 2007 and December 2007. Both disbursements and outstanding grew by 25% (approx) over the year ending December 2007.

Table 1. Share of Financial Institutions

	% share in total amount disbursed	% share in total amount outstanding	% share in no. of loans disbursed	% share in no. of loans outstanding
HBFC	33	16	93	79
Banks & DFIs	67	84	7	21
Total	100	100	100	100

Within Banks & DFIs	Public sector	12	14	24	27
	Private	69	69	58	58
	Islamic	4	5	1	2
	Foreign	11	9	11	8
	DFIs	4	3	6	5
Total		100	100	100	100

Growth in disbursements and outstanding loan amounts reported a growth rate of 4.6% and 4.8%, respectively for the quarter September 2007 and 5% (disbursements and outstandings) growth during the quarter December 2007. Both also registered a 10% growth rate over the six months ending December 2007. Furthermore, public sector banks have experienced a 95% increase in amount disbursed, during the year end December 2007. Private Banks report an increase of 21%, foreign banks reported a 40% increase, DFIs increased by 8.5% and HBFC increased amount disbursements by 1.5% during the year end December 2007.

Figure 3

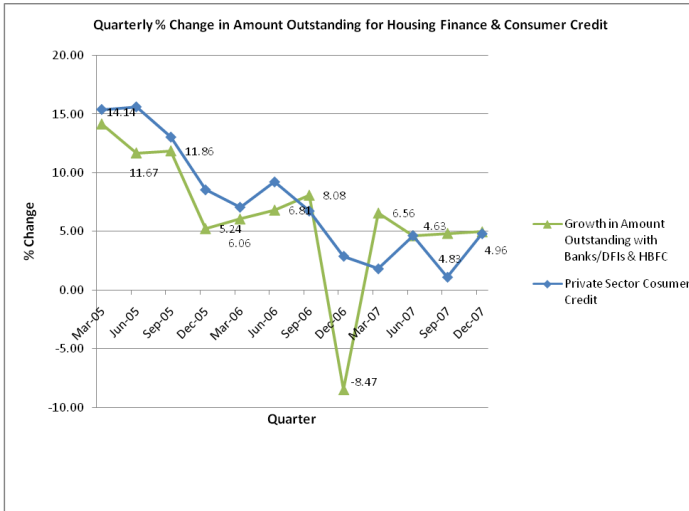
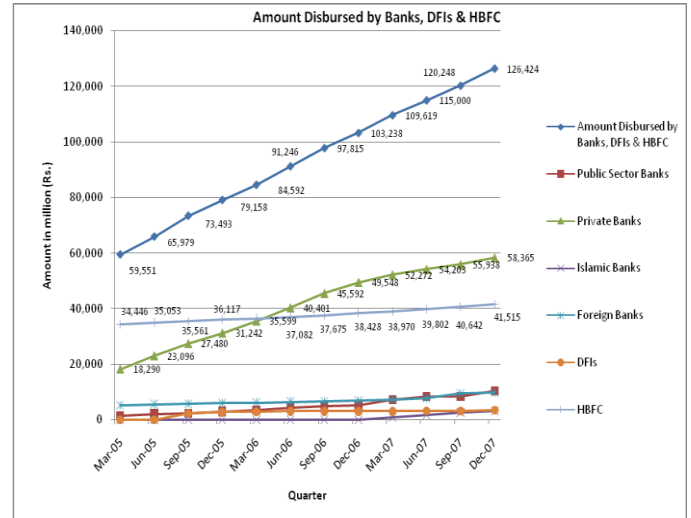


Figure 4



2.3. Number of Borrowers

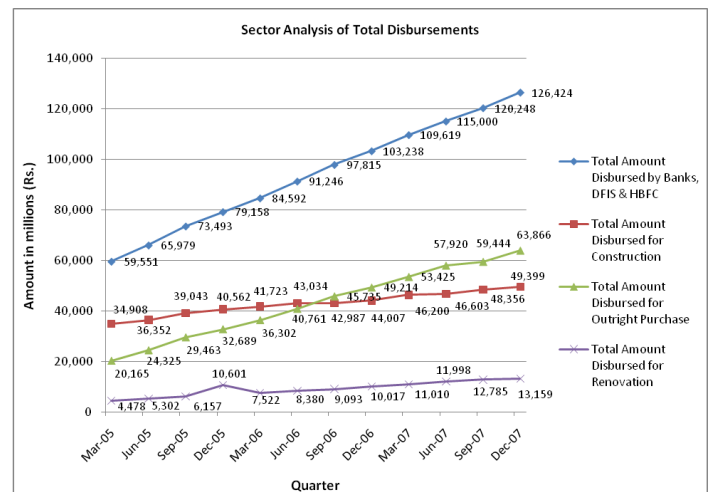
Number of loans disbursed has seen a slight increase with an average growth rate of less than 1% (Figure A.2 Appendices A shows an increase from 443,989 to 480,569 number of loans). Total outstanding no. of loans has witnessed a fall from 152,881 to 125,490 number of loans; an 18% fall approximately (Figure A.3 in Appendices). This fall is attributed mainly to the decreasing number of outstanding loans of HBFC, despite an increasing trend witnessed in the case of Banks and DFIs (Figure A.4 in appendices). Figure A.5 and A.6 in appendices details growth trends seen within banks and DFIs sector and shows that Private Banks constitute a greater share and display relatively faster growth among other banks.

Dissecting further into institution type-wise analysis, Table 1 above shows that HBFC's share in the number of loans disbursed stands at 93%, while rest of the institutions share only 7%. Similar proportion is seen between HBFC and Banks/DFIs in the number of loans outstanding. It can be seen that while banks and DFIs have a smaller share in no. of loans compared to that of HBFC, they report a greater share in the total amount disbursed (figure 4). This is consistent with expectations as HBFC has a significant role in disbursing a greater number of small loans contrary to Banks and DFIs.

3. Housing Finance: A Sector Analysis

Housing finance is currently extended under three main broad categories. These include loaning for construction, outright purchase and renovation. Figure 5 below shows share of housing finance for all these areas separately since March 2005. Amounts disbursed for construction and renovation have experienced little change over time. However, outright purchase has reported the greatest growth from Rs. 20,000 million to over Rs.60,000 million by December 2007.

Figure 5



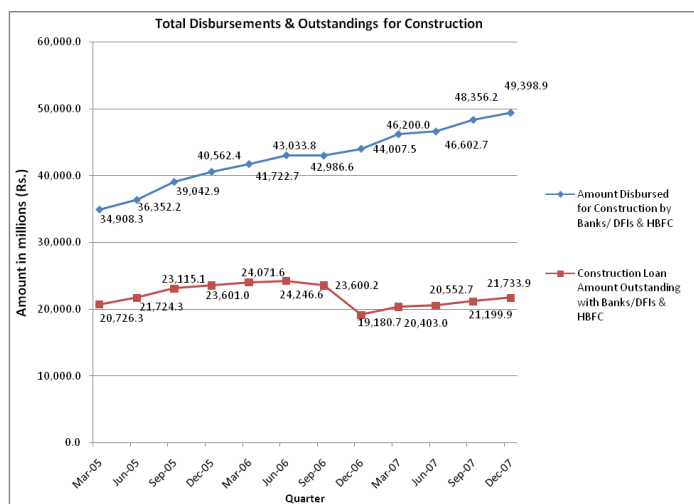
3.1. Construction

The disbursements for construction have witnessed a growth of 4.9% from 408,328 number of loans disbursed during March 2005 to 423,182 disbursed by December 2007. The

amount disbursed since March 2005 has increased from Rs. 34,908 million to Rs. 49,398 million. Similarly number of outstanding loans have decreased from 130,882 (March 2005) to 91,194. The outstanding loan amount has shown a downward trend that sets in during the quarter September 2006 but rises by March 2007 (Figure 6).

Figures B.1 & B.2 in appendices show growth trends in disbursements and outstanding of construction loans. Table B.1 in appendices B show that disbursement and outstanding amount figures have increased by 12.3% and 13% respectively during the year ended December 2007 and number of loans disbursed have reported a growth of 1.1%. With Banks and DFIs contributing only 9,114 disbursed loans by December 2007, public sector dominated private banks only marginally up until June 2006.

Figure 6



Overall while HBFC reported 0.9% growth, Banks and DFIs disbursements for the purpose of construction grew by 14.3% over the last year.

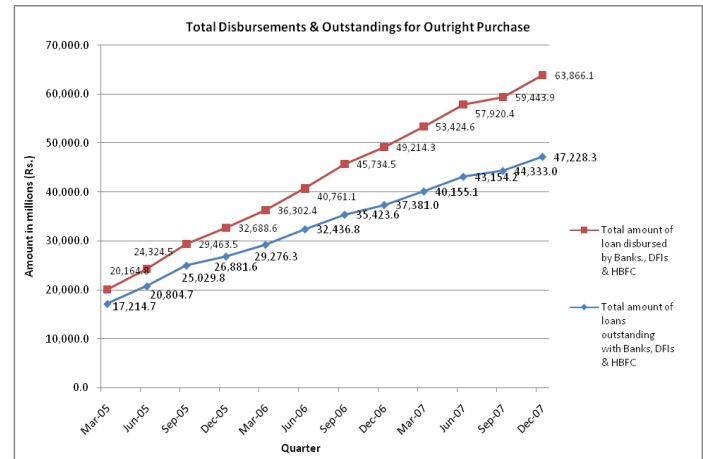
3.2. Outright Purchase

The disbursements for outright purchase have witnessed a growth of 11.6 % from 22,325 number of loans disbursed during March 2005 to 24,934 disbursed by December 2007. The amount disbursed since March 2005 has increased from Rs. 2,966 million to Rs. 4,733 million. Similarly number of outstanding loans have slightly decreased from 9,914 (March 2005) to 8,457 number of loans. The outstanding loan amount has grown continuously as shown in figure 7.

Figure B.3 to B.5 in appendices B show growth trends in disbursements and outstanding of outright purchase loans. The figures also shows that this growth is mainly supported by banks and DFIs as HBFC shows very little growth in the disbursements of outright purchase loans. Table B.2 in appendices B show that disbursement and outstanding amount figures have increased by 29.8% and 26% respectively during the year ended December 2007 and number of loans

disbursed and outstanding have reported a growth of 8.9% and 30%, respectively. With Banks and DFIs contributing 18,124 disbursed loans by December 2007, private banks dominate other banks and DFIs in both number of loans and loan amount.

Figure 7



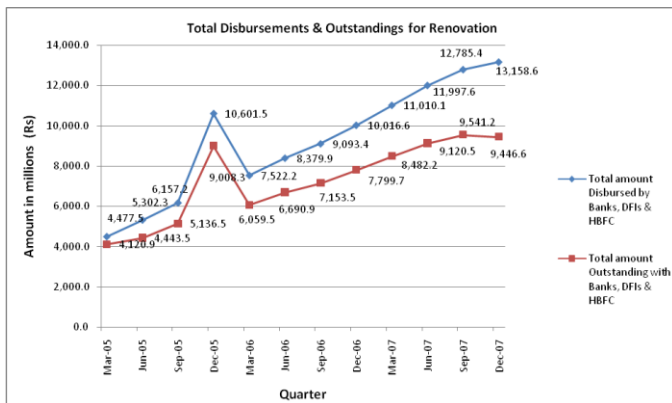
While HBFC reported 17.8% growth, Banks and DFIs disbursements for the purpose of outright purchase grew by 30% over the last year.

3.3. Renovations

The disbursements for renovation witnessed a growth of 153 % from 5,650 number of loans disbursed during March 2005 to 14,329 disbursed by December 2007. The amount disbursed since March 2005 has increased from Rs. 4,477 million to Rs. 13,158 million. Similarly number of outstanding loans have increased from 5,314 (March 2005) to 11,633 number of loans. The outstanding loan amount has grown constantly as shown in figure 8, reaching a peak during December 2005, before coming back on the steady growth path. HBFC shows less jubilant growth when compared to banks and DFIs. The figure also shows that this constant growth is mainly supported by banks and DFIs.

Figure B.6 and B.7 in appendices show growth trends in outstanding of loans for renovation purposes. Table 3 in appendices show that disbursement and outstanding amount figures have increased by 31% and 21% respectively during the year ended December 2007 and number of loans disbursed and outstanding have reported a growth of 28.8% and 34.8%, respectively.

Figure 8



With Banks and DFIs contributing 5270 disbursed loans by December 2007, private banks dominate other banks and DFIs in both number of loans and loan amount.

While HBFC reported 48.8% growth, Banks and DFIs disbursements for the purpose of renovation grew by 27.7% over the last year.

4. The Housing & Economy Nexus

Figure 9 shows the mortgage to GDP ratio in nominal terms. The ratio has risen only slightly from 0.49% since 2003, reaching its peak at 0.98% during 2006. Despite this overall growth, the ratio still remains very low when compared to other countries, e.g. 14 % in Chile, 5 % in Colombia, 2.5 % in India and 65% in USA. While the ratio shows a slight upward trend, the slowing growth rate of disbursements and the outstandings could potentially dampen the ratio.

Moreover, interest rates on housing loans have remained constant for HBFC and other banks only up until September 2007. Differential interest rates have been witnessed among financial institutions, with HBFC charging an interest rate of 9% (on average) and Banks charging around 12%. According to Figure 10, the quarter December 2007 has seen interest rates converge to 12% for both HBFC & Banks/DFIs. This is in line with the increasing levels of inflation that is feeding into cost of production through increased fuel prices and there by

Figure 9

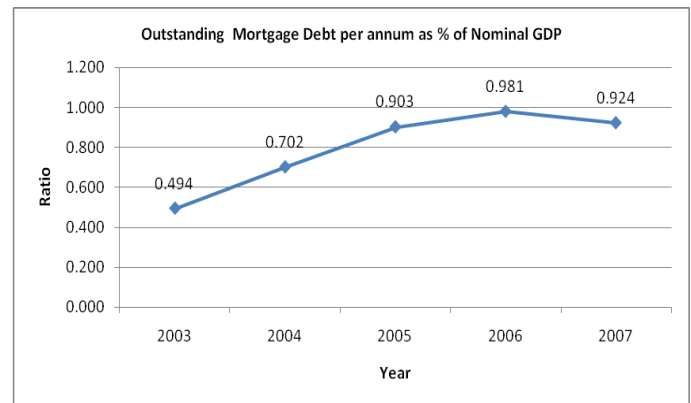


Figure 10

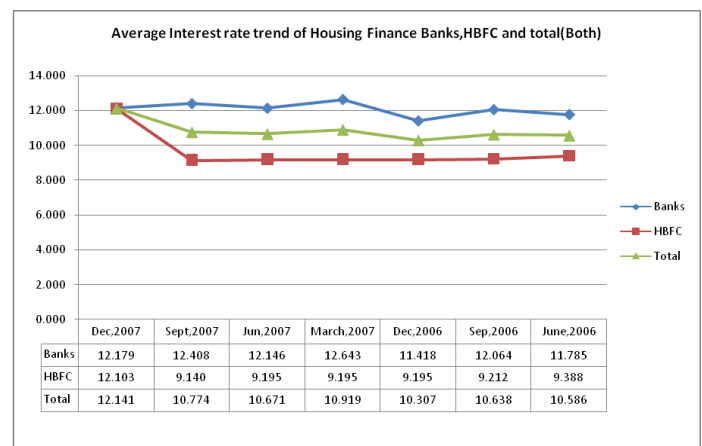
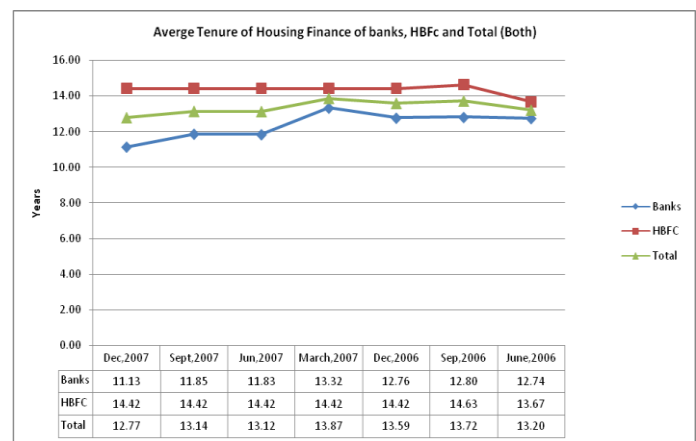


Figure 11



escalating the cost of borrowing and affecting the borrowers' ability to pay scheduled amounts due in the face of abrupt changes.

Figure 11 shows that tenure on an average has remained around 13 years with Banks showing a downward trend in their tenure offerings where as HBFC is seen to be lending for

14 years, on an average. This might contribute in increasing the monthly mortgage repayment, borne by the borrower.

Against the backdrop of government initiatives to respond to increasing demand for housing in Pakistan, the increased involvement of Private Banks and DFIs in lending for construction, outright purchases and renovation, is promising. Although the existing mortgage market in Pakistan is at a very nascent stage, and considerably inclined towards the high end of the market (high income groups), decelerating levels of disbursements, increasing interest rates, shortening tenure on housing loans and information asymmetries between borrowers and lenders, and regulation could potentially hurt the development of a well-structured mortgage market, affecting negatively its ability to go forward in the next stage of development in a competitive environment.

Appendices A

Figure A.1

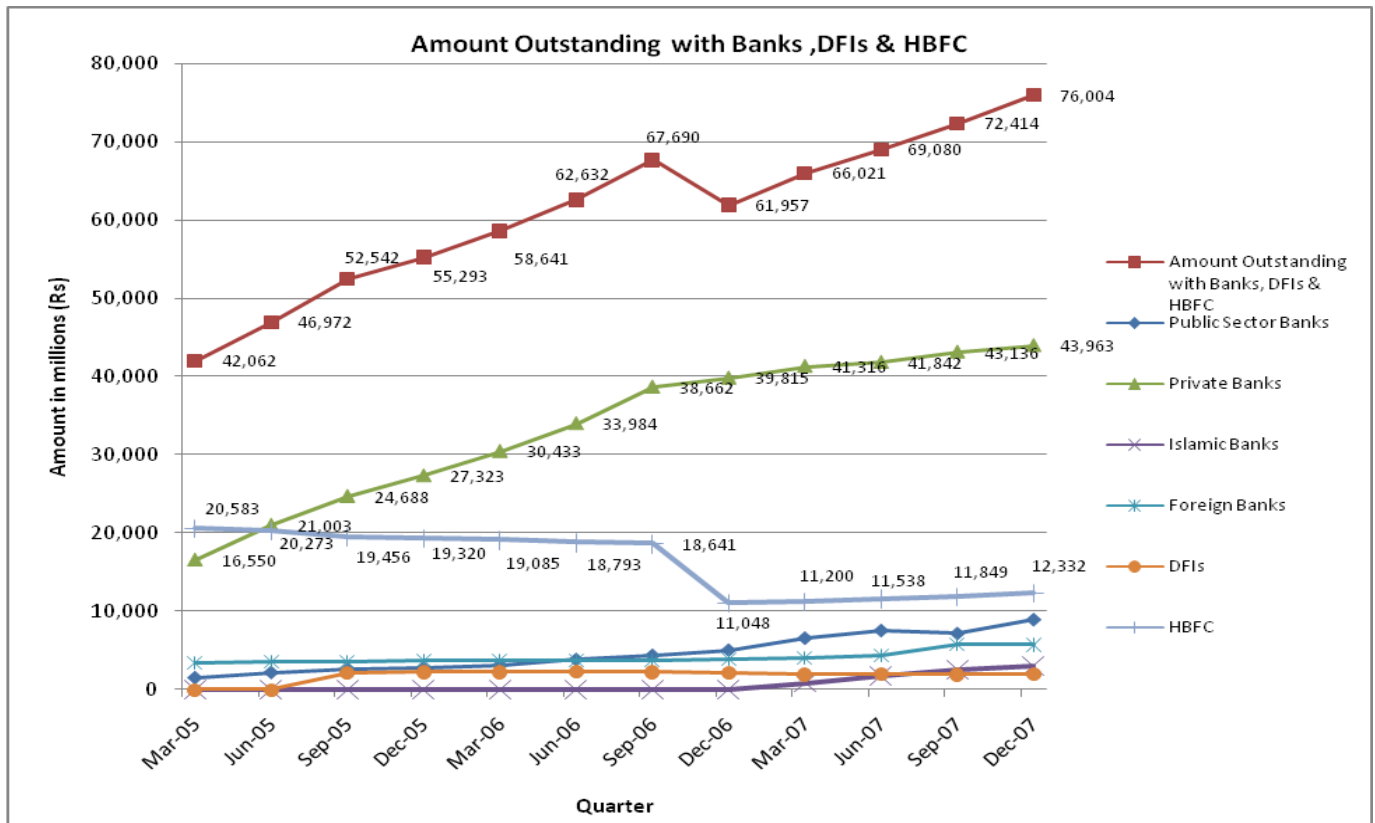


Figure A.2

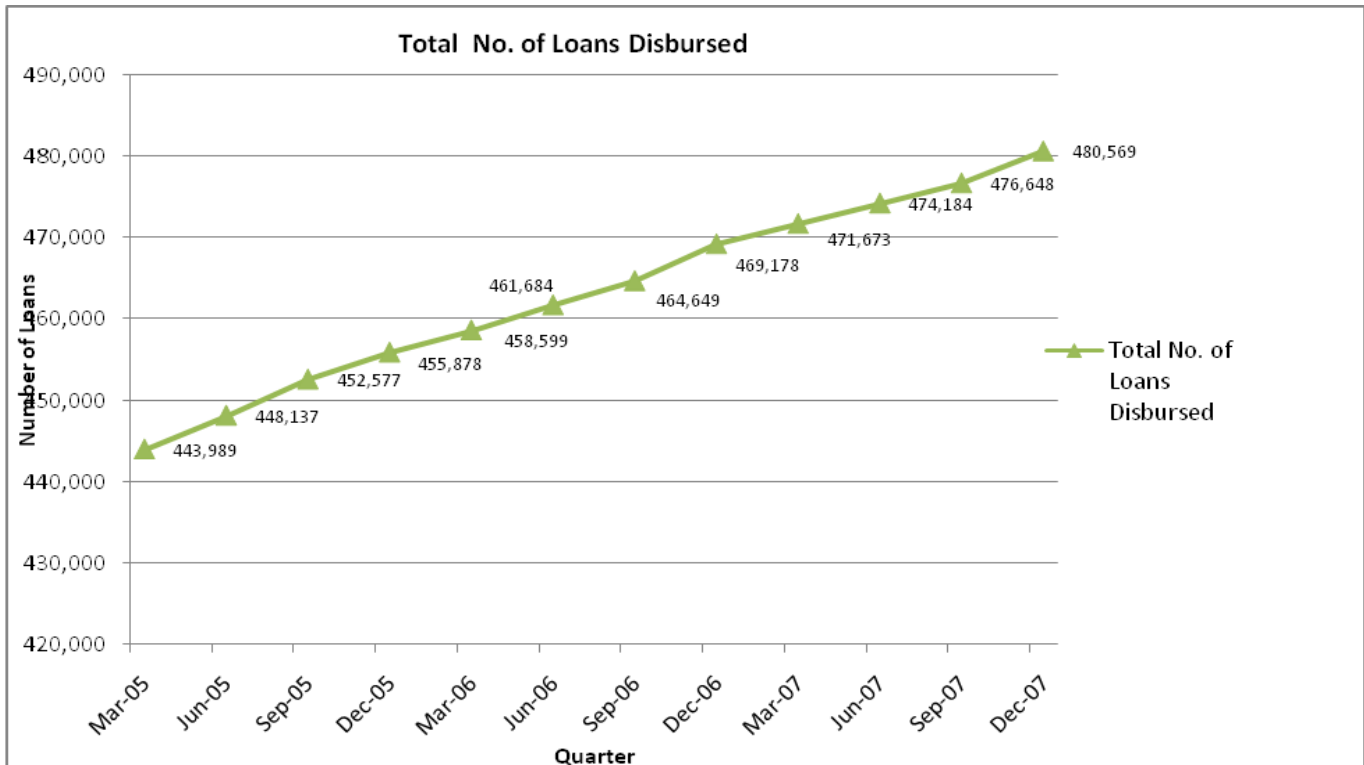


Figure A.3

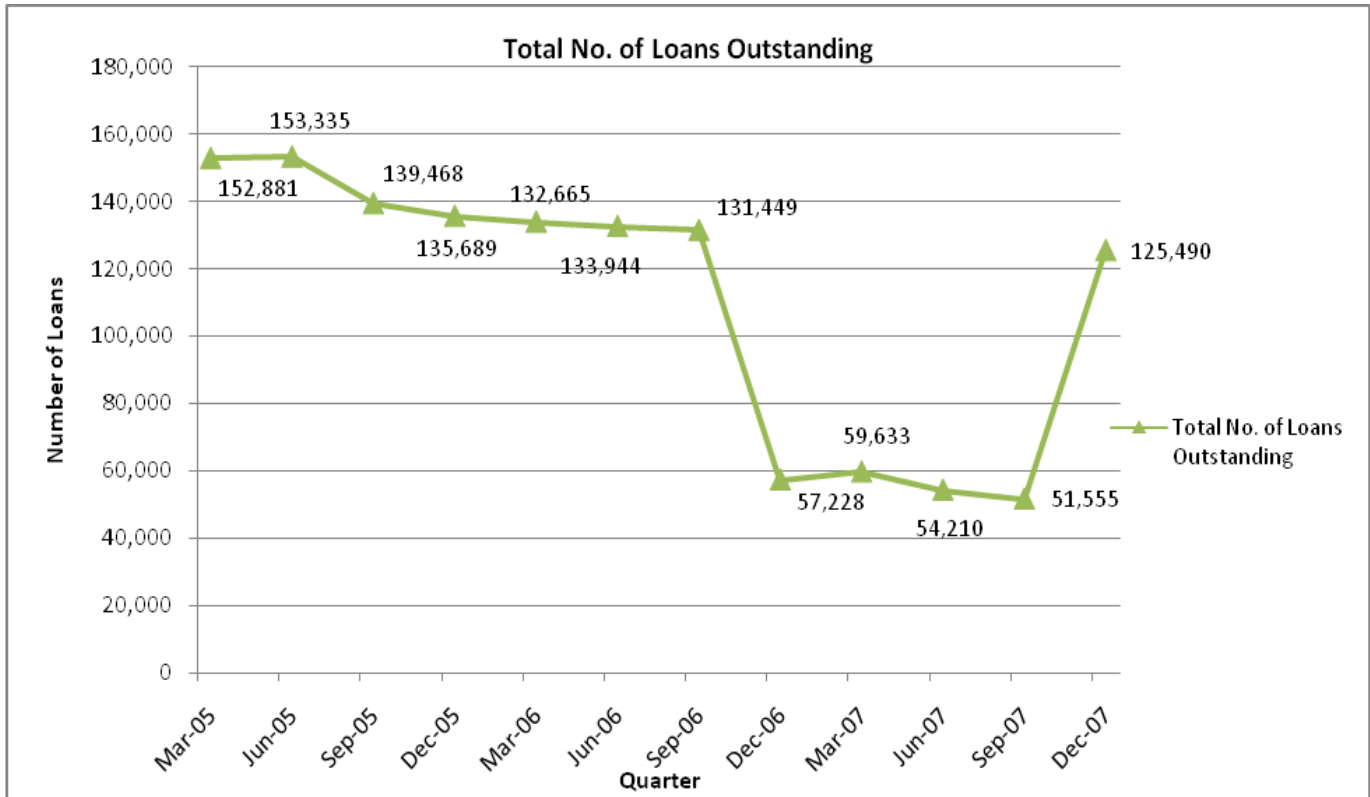


Figure A.4

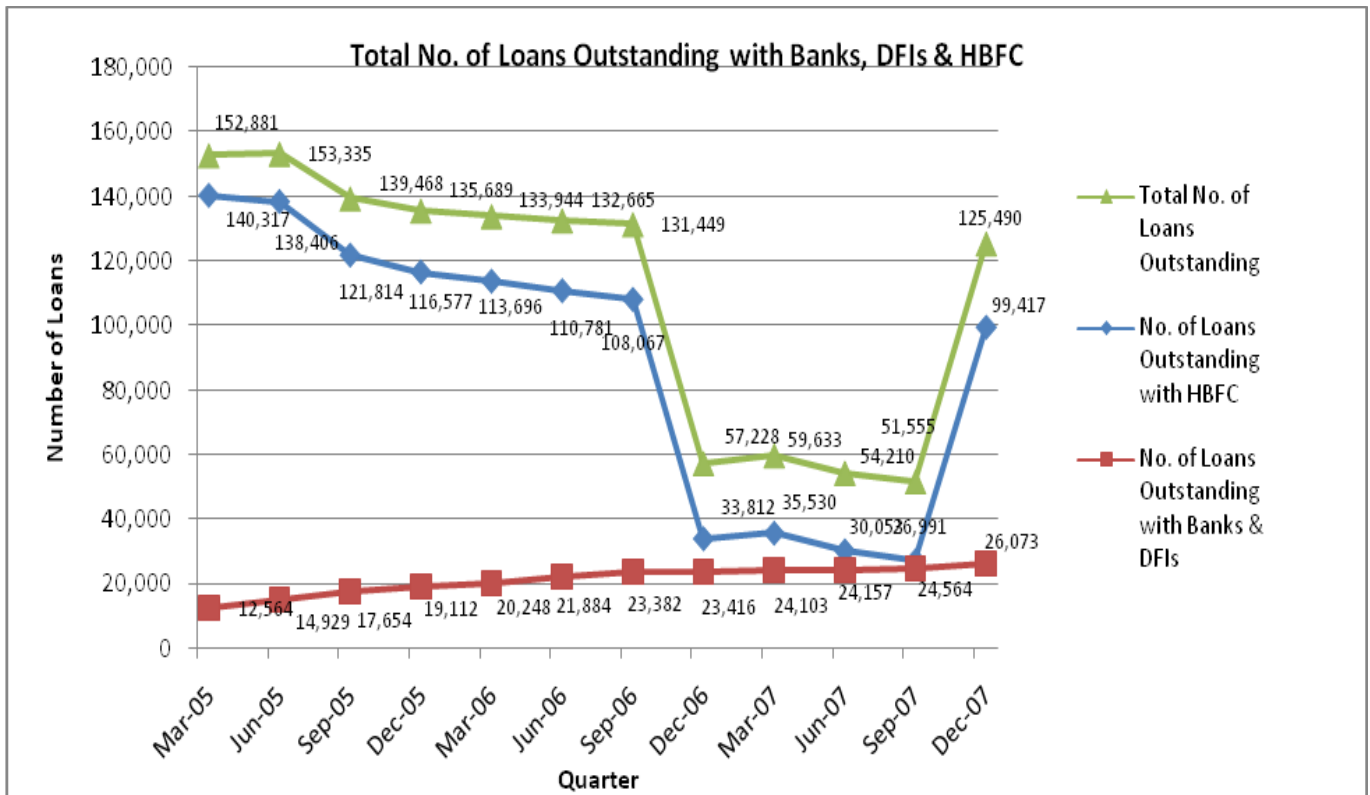


Figure A.5

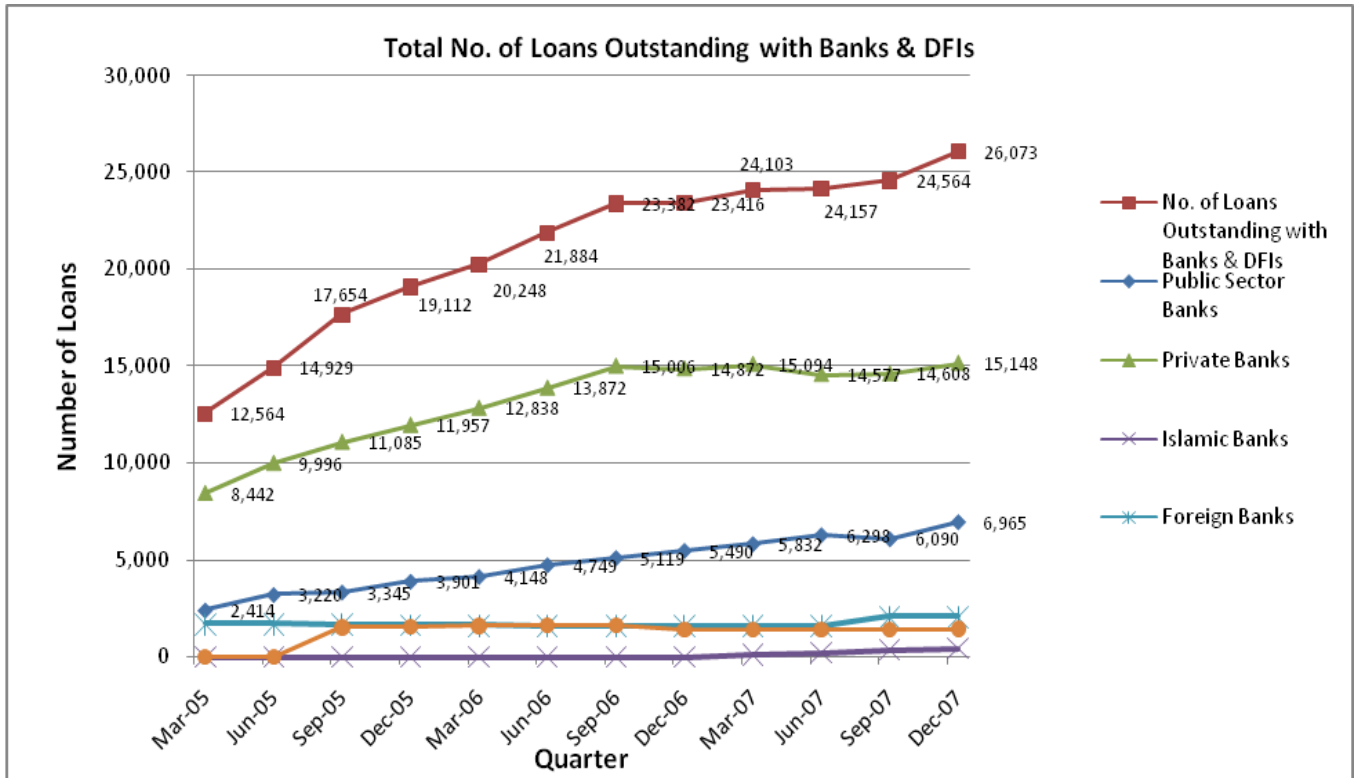


Figure A.6

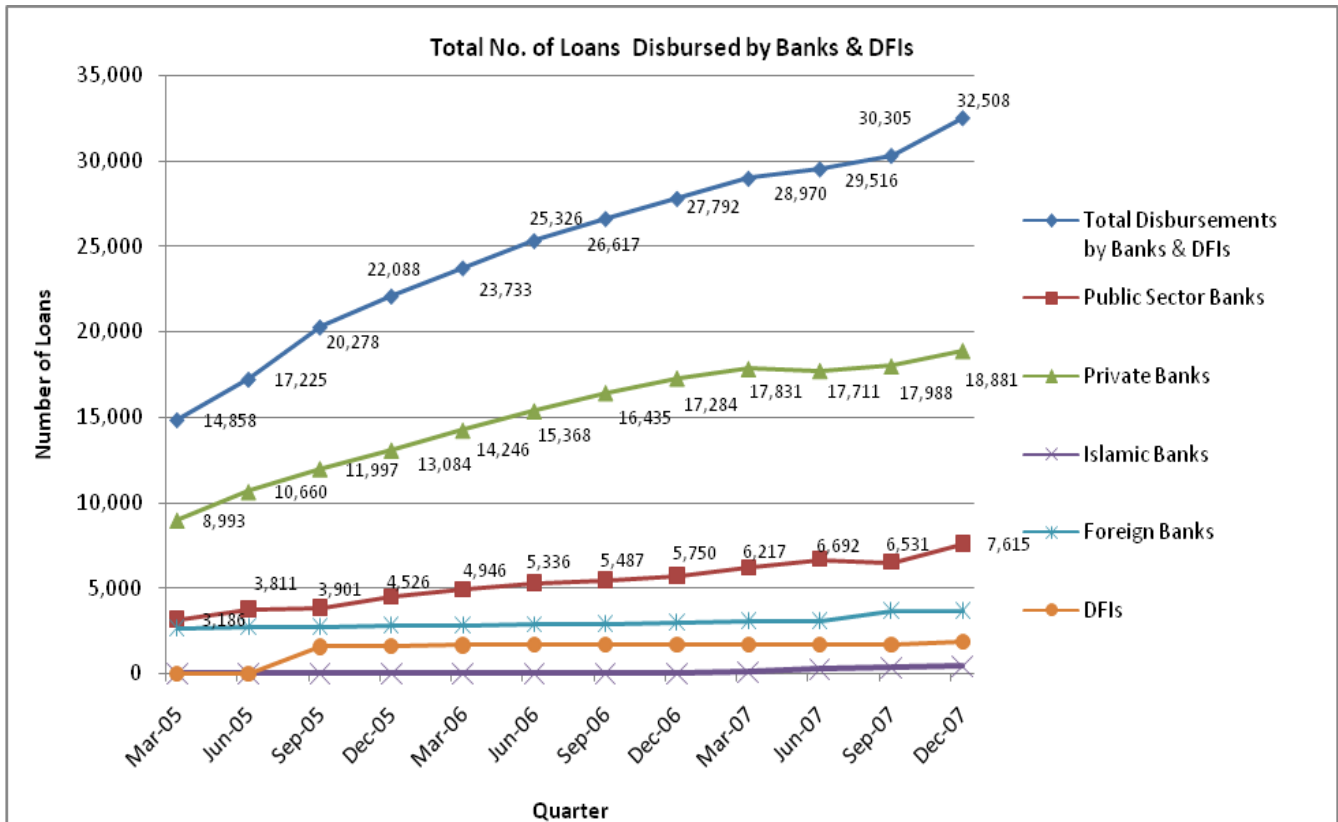


Table A.1

Growth Trends in Disbursements												
TYPE OF BANKS	Total Disbursements for Housing Finance as on December 31, 2007		Growth during the quarter September 2007		Yearly Growth since September 2006		Growth during the quarter December 2007		6 month Growth since June 2007		Yearly Growth since December 2006	
	No. of Loans	Amount (millions)	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
			No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
Public Sector Banks	7,615	10,322.6	(2.4)	0.4	19.0	71.4	16.6	22.9	13.8	23.4	32.4	95.3
Private Banks	18,881	58,364.6	1.6	3.2	23.3	40.4	5.0	4.3	6.6	7.7	12.9	21.8
Islamic Banks	426	3,097.6	55.1	46.9	.	.	21.0	19.9	87.7	76.1	.	.
Foreign Banks	3,692	9,719.4	17.4	23.1	74.8	148.3	0.5	2.1	18.0	25.6	22.5	40.1
Banks (Total)	30,614	81,504	2.8	6.1	28.7	57.3	7.2	6.6	10.3	13.1	20.1	35.5
DFIs	1,894	3,405	0.2	0.9	1.2	4.3	7.6	7.7	7.8	8.7	8.5	12.1
Banks & DFIs	32,508	84,909	2.7	5.9	26.7	54.2	7.3	6.7	10.1	12.9	19.4	34.4
HBFC	448,061	41,514.7	0.4	2.1	1.9	7.9	0.4	2.1	0.8	4.3	1.5	8.0
TOTAL	480,569	126,424	0.5	4.6	3.2	34.7	0.8	5.1	1.3	9.9	2.6	24.4

Growth Trends in Outstandings											
Total Outstandings for Housing Finance as on December 31, 2007		Growth during the quarter September 2007		Yearly Growth since September 2006		Growth during the quarter December 2007		6 month Growth since June 2007		Yearly Growth since December 2006	
No. of Loans	Amount (millions)	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
		No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
6,965	9,003.3	(3.3)	(5.1)	19.0	64.0	14.4	24.9	10.6	18.5	26.9	77.8
15,148	43,962.8	0.2	3.1	16.7	35.5	3.7	1.9	3.9	5.1	5.8	14.8
439	2,973.7	53.6	44.5	.	.	21.6	17.7	86.8	70.1	.	.
2,055	5,712.9	29.4	31.7	177.8	335.6	(1.2)	(0.6)	27.8	30.8	27.1	47.7
24,607	61,653	1.9	5.5	25.9	56.1	6.3	5.2	8.3	11.0	14.9	30.5
1,466	2,020	(1.0)	(2.0)	(13.9)	(13.4)	2.9	3.9	1.9	1.7	2.0	(6.5)
26,073	63,672	1.7	5.3	22.6	52.2	6.1	5.1	7.9	10.7	.	.
99,417	12,331.8	(10.2)	2.7	(75.0)	(36.4)	268.3	4.1	230.8	6.9	194.0	11.6
125,490	76,004	(4.9)	4.8	(59.8)	23.9	143.4	5.0	131.5	10.0	121.4	25.7

Appendices B

Figure B.1

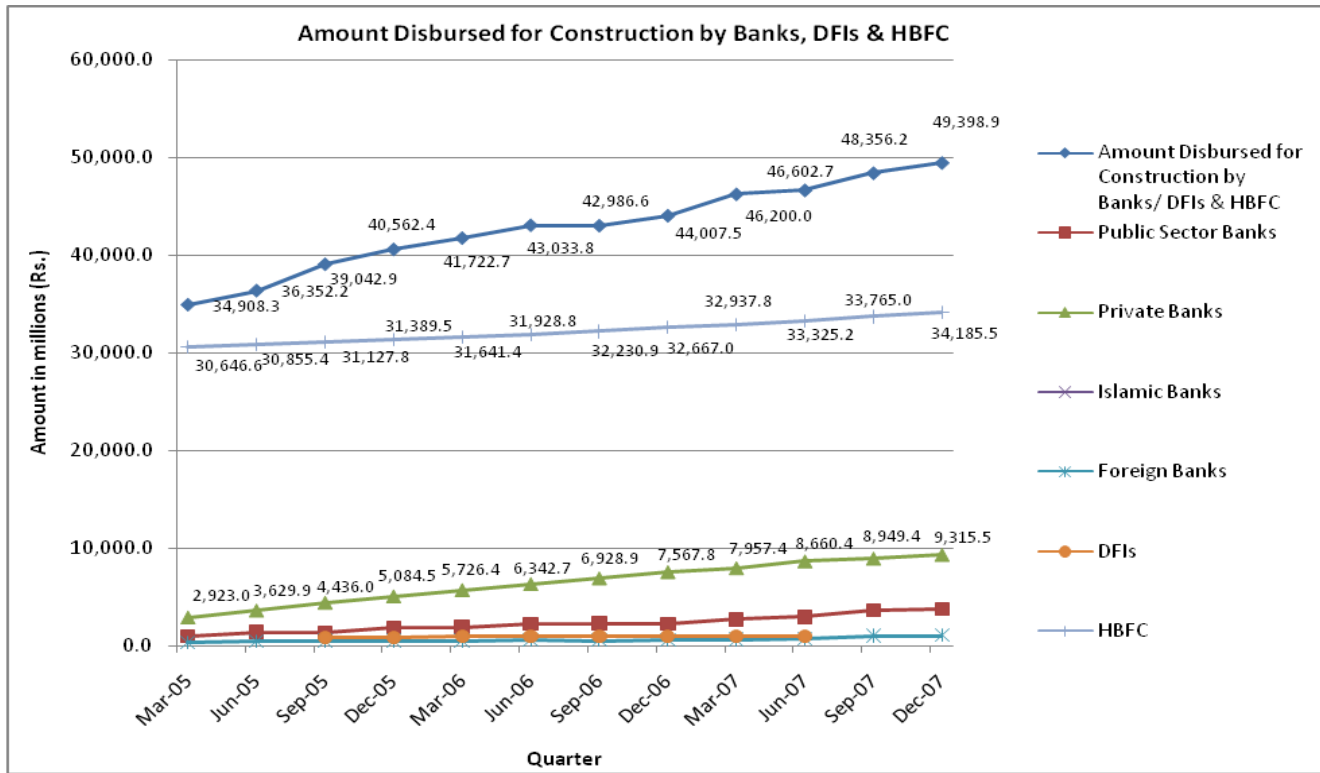


Figure B.2

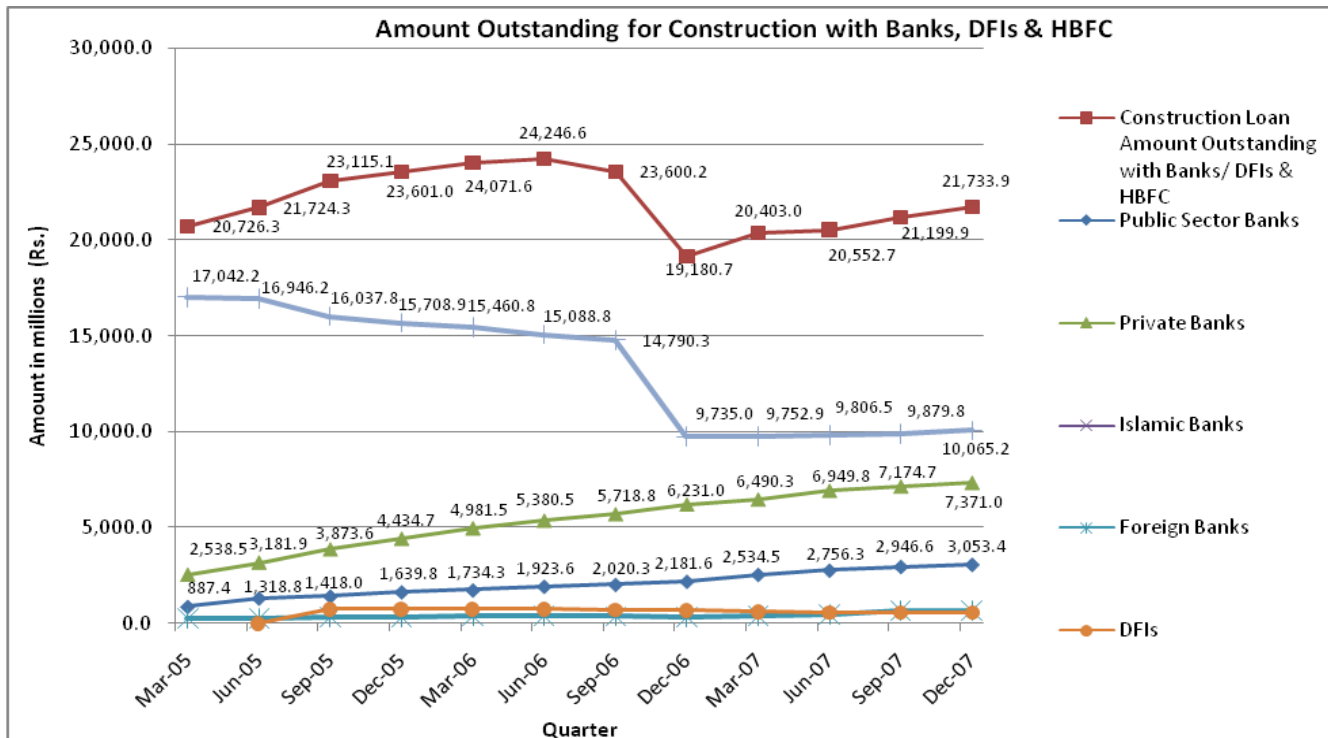


Figure B.3

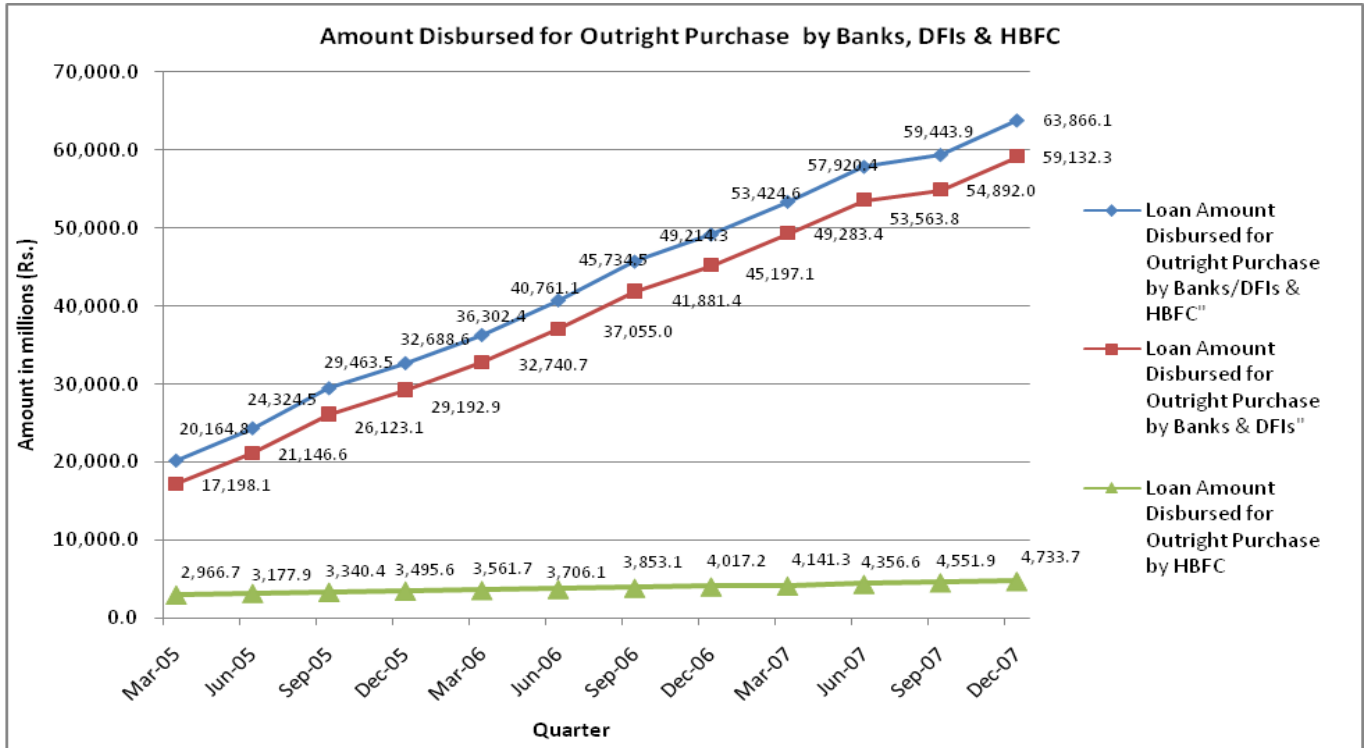


Figure B.4

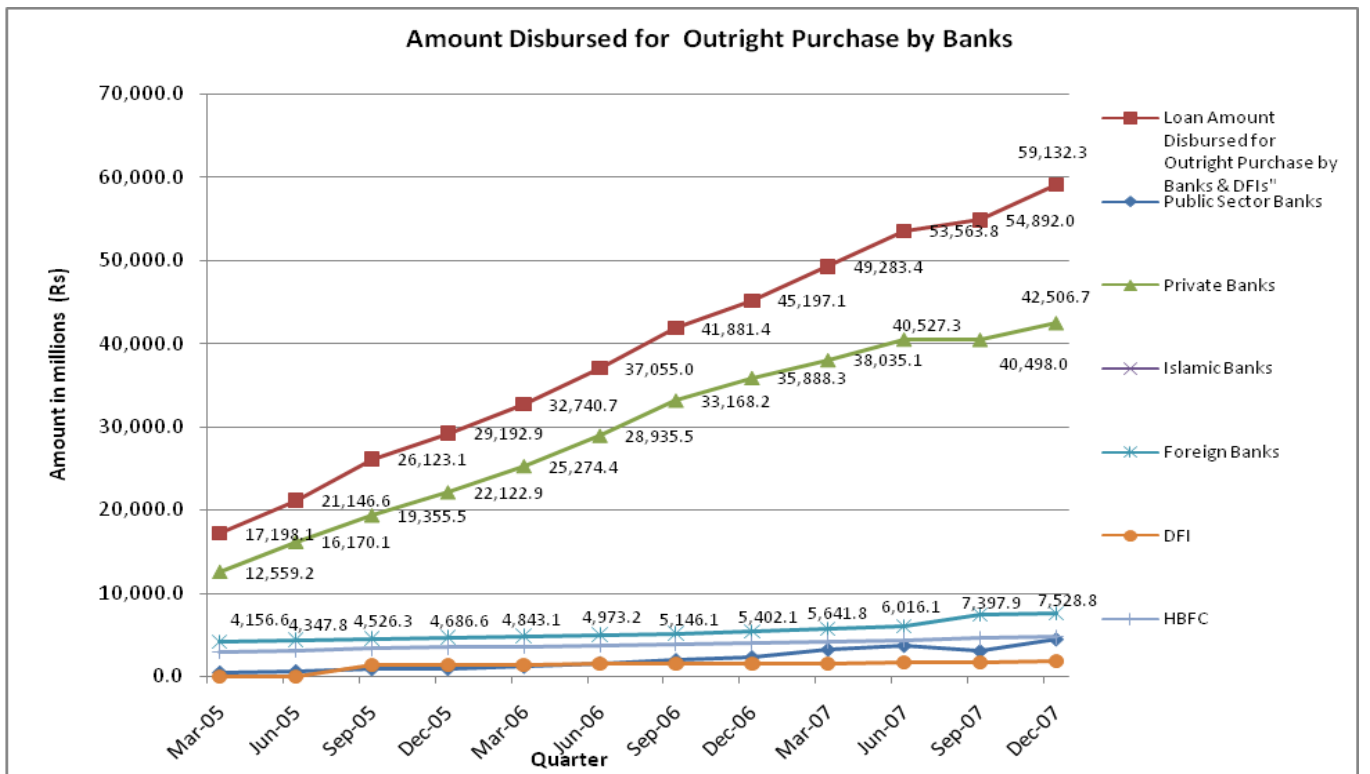


Figure B.5

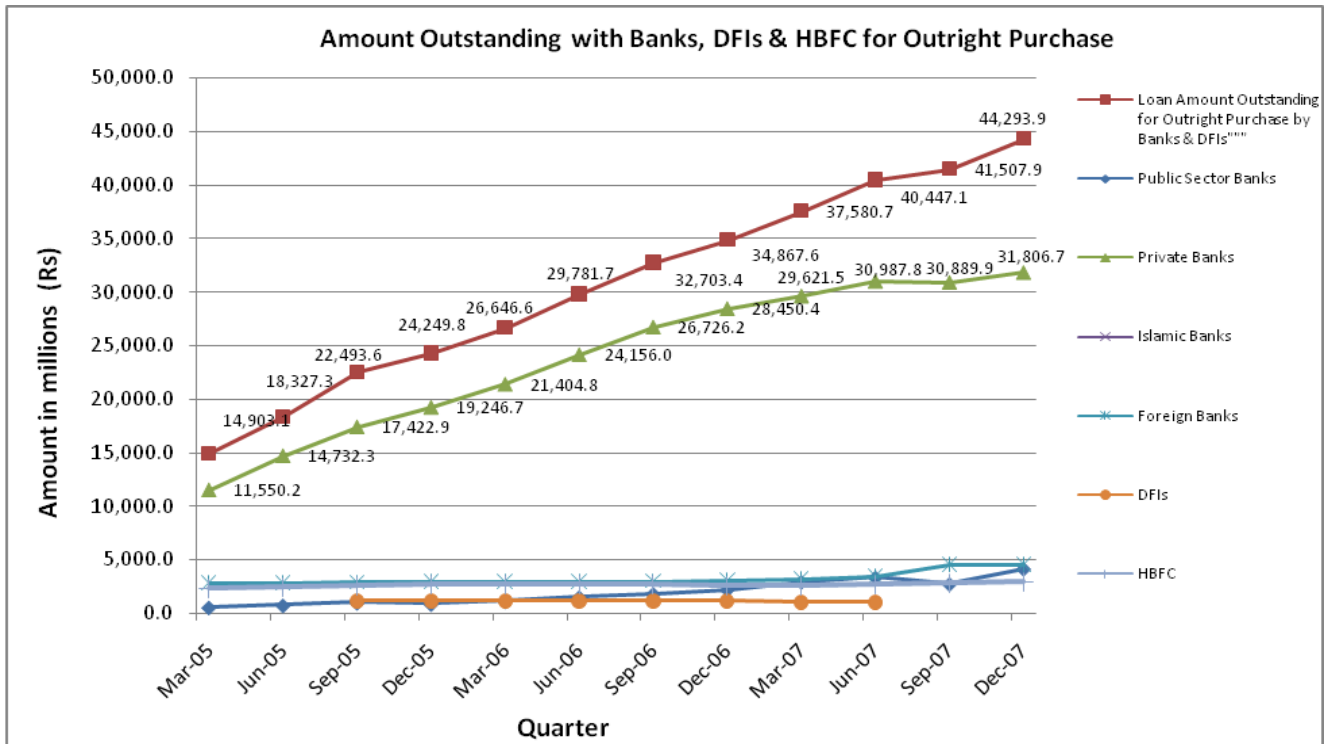


Figure B.6

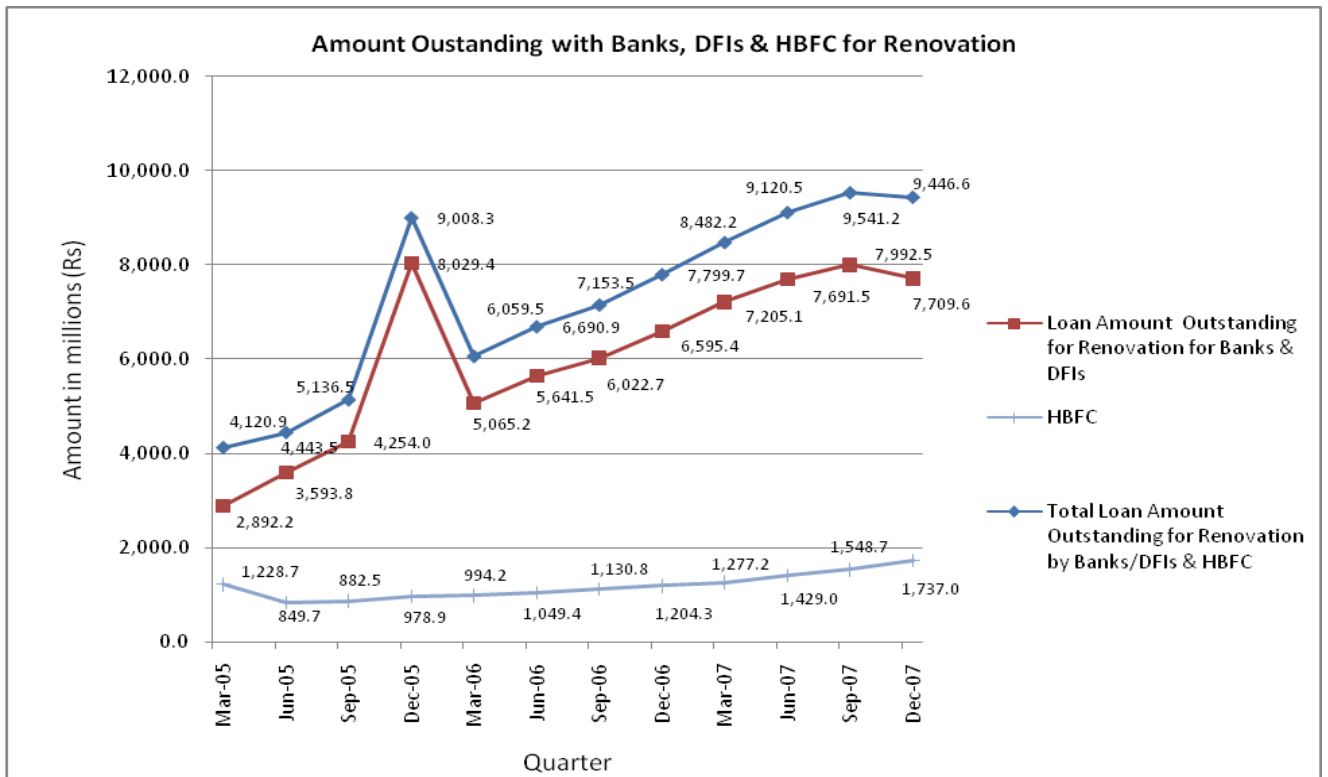


Figure B.7

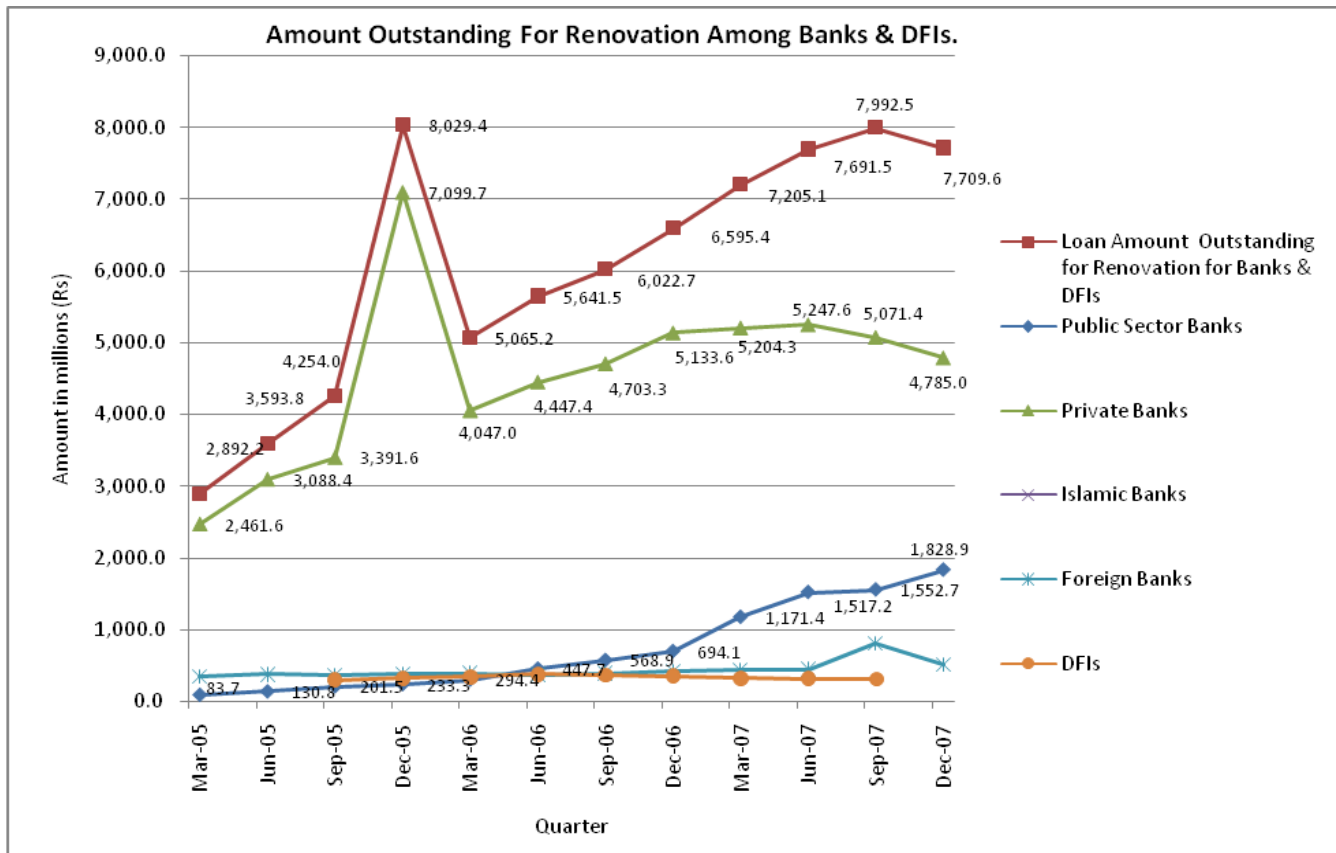


Table B.1

TYPE OF BANKS	Growth Trends in Disbursements for Construction									
	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
Public Sector Banks	15.52	68.70	10.59	56.34	6.41	27.68	4.94	22.67	1.40	4.08
Private Banks	10.92	23.09	11.46	29.16	5.16	7.56	1.14	3.34	3.98	4.09
Islamic Banks									50.00	1.98
Foreign Banks	57.79	81.07	54.58	81.52	44.19	48.84	38.95	43.94	3.77	3.41
Banks Total	14.61	36.57	12.51	39.02	7.11	15.12	4.21	10.66	2.78	4.03
DFI	10.34	8.33	2.11	1.51	9.20	7.79	0.30	0.24	8.88	7.53
Banks & DFIs	14.25	34.15	11.64	35.66	7.27	14.58	3.90	9.89	3.25	4.26
HBFC	0.86	4.65	1.30	4.76	0.43	2.58	0.22	1.32	0.21	1.25
Total	1.11	12.25	1.49	12.49	0.57	6.00	0.29	3.76	0.27	2.16

	Growth Trends in Outstandings for Construction									
	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
	10.35	39.96	9.50	45.85	2.69	10.78	1.45	6.90	1.22	3.62
	3.72	18.30	6.46	25.46	2.19	6.06	(0.55)	3.24	2.75	2.74
									200.00	371.43
	79.50	86.34	69.94	73.77	62.36	47.14	55.62	39.90	4.33	5.18
	8.85	26.46	9.61	32.71	4.05	9.18	1.92	5.86	2.09	3.13
	2.49	(14.30)	(15.20)	(19.66)	2.31	(1.59)	(0.89)	(3.56)	3.23	2.05
	8.34	23.53	7.28	28.49	3.92	8.58	1.71	5.34	2.17	3.08
	246.60	3.39	(82.18)	(33.20)	322.40	2.64	(15.71)	0.75	401.14	1.88
	192.53	13.31	(75.96)	(10.17)	235.89	5.75	(10.98)	3.15	277.32	2.52

Table B.2

Growth Trends in Disbursements of Outright Purchase

TYPE OF BANKS	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
Public Sector Banks	40.94	92.88	8.59	53.80	19.67	20.65	(19.27)	(17.83)	48.22	46.82
Private Banks	11.31	18.44	10.17	22.10	5.00	4.88	(1.14)	(0.07)	6.21	4.96
Islamic Banks					70.94	68.29	39.41	37.46	22.61	22.43
Foreign Banks	18.99	39.37	20.47	43.76	15.32	25.15	15.00	22.97	0.28	1.77
Banks (Total)	18.20	31.30	13.60	32.00	9.11	10.36	(0.65)	2.51	9.82	7.65
DFIs	11.19	17.92	0.86	7.33	10.56	11.59	0.14	1.50	10.40	9.94
Banks& DFIs	17.88	30.83	12.99	31.07	9.17	10.40	(0.61)	2.48	9.84	7.72
HBFC	3.26	17.84	3.34	18.14	1.66	8.66	0.84	4.48	0.81	3.99
Total	8.95	29.77	7.00	29.98	4.69	10.27	0.25	2.63	4.43	7.44

Growth Trends in Outstandings of Outright Purchase

TYPE OF BANKS	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
Public Sector Banks	37.27	88.26	9.55	50.05	18.54	23.89	(15.58)	(18.54)	40.42	52.09
Private Banks	4.13	11.80	1.99	15.58	2.51	2.64	(2.81)	(0.32)	5.47	2.97
Islamic Banks					83.33	70.31	51.01	43.50	21.40	18.68
Foreign Banks	19.66	46.66	21.51	52.49	22.60	30.82	24.71	31.65	(1.69)	(0.63)
Banks (Total)	13.07	27.95	7.48	28.26	7.95	9.64	(1.37)	2.72	9.45	6.74
DFIs	4.06	(0.15)	(11.70)	(9.07)	3.51	4.74	(0.70)	(1.03)	4.24	5.83
Banks& DFIs	12.67	27.03	6.48	26.92	7.76	9.51	(1.34)	2.62	9.23	6.71
HBFC	75.53	16.75	(50.57)	3.86	80.78	8.39	(4.79)	4.36	89.87	3.87
Total	30.05	26.34	(17.74)	25.15	26.89	9.44	(2.25)	2.73	29.80	6.53

Table B.3

TYPE OF BANKS	Growth in Disbursements for Renovation									
	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
Public Sector Banks	88.7	183.1	94.1	185.9	27.3	22.0	4.0	1.7	22.4	19.9
Private Banks	(1.5)	7.4	3.6	18.1	(4.4)	0.8	(5.4)	(0.0)	1.1	0.8
Islamic Banks					105.4	79.4	81.1	73.7	13.4	3.3
Foreign Banks	20.9	19.6	36.9	58.9	16.3	12.4	27.3	42.4	(8.6)	(21.1)
Banks (Total)	20.4	29.4	25.2	42.1	7.1	7.3	2.3	6.2	4.8	1.0
DFI	0.5	0.2	0.3	0.0	0.3	0.2	0.0	0.0	0.3	0.2
Banks & DFIs	18.7	27.7	22.9	39.4	6.6	6.9	2.1	5.9	4.4	1.0
HBFC	35.6	48.8	36.1	46.1	15.6	22.4	7.2	9.7	7.8	11.6
Total	28.8	31.4	30.8	40.6	12.1	9.7	5.2	6.6	6.5	2.9

	Growth in Outstandings for Renovation									
	Yearly Growth since December 2006		Yearly Growth since September 2006		6 month Growth since June 2007		Growth during the quarter September 2007		Growth during the quarter December 2007	
	% (percentage)		% (percentage)		% (percentage)		% (percentage)		% (percentage)	
	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount	No. of Loans	Amount
	75.0	163.5	97.6	173.0	22.0	20.5	3.1	2.3	18.2	17.8
	(9.4)	(6.8)	(5.7)	7.8	(10.3)	(8.8)	(8.2)	(3.4)	(2.2)	(5.6)
					97.3	67.1	64.9	54.0	19.7	8.5
	27.8	22.3	63.5	107.5	27.0	14.6	52.9	80.8	(17.0)	(36.6)
	14.0	18.5	20.0	35.8	2.5	0.3	0.3	4.2	2.2	(3.7)
	(2.6)	(12.0)	(15.5)	(15.4)	(2.0)	(2.3)	(2.0)	(2.7)	0.0	0.4
	12.6	16.9	16.5	32.7	2.2	0.2	0.2	3.9	2.0	(3.5)
	51.8	44.2	6.1	37.0	32.7	21.6	4.8	8.4	26.6	12.2
	34.8	21.1	10.2	33.4	19.8	3.6	2.8	4.6	16.5	(1.0)

END OF REVIEW