

Household Finance Update



Release date : 26 June 2019

UK Finance: Household Finance Update for May 2019

Key data highlights:

- Gross mortgage lending across the residential market in May 2019 was £21.9 billion, some 0.4 per cent lower than the same month in 2018 (see chart 2).
- The number of mortgages for home purchase approved by the main high street banks in May 2019 was 9.1 per cent higher than in the same month in 2018, and reached its highest level since June 2016.
- Remortgage approvals were 3.7 per cent lower and approvals for other secured borrowing were 5.9 per cent higher than the same month a year earlier (see chart 3).
- The £11.3 billion of credit card spending in May 2019 was 5.6 per cent higher than the same month in 2018 (see chart 4). Repayments have remained in line with credit card spending, showing that consumers are managing their finances effectively overall.
- Personal borrowing through loans in May 2019 was 9.3 per cent higher compared to the same month in 2018 (see chart 5). Lending through overdrafts in May 2019 was 3.2 per cent lower compared to the same month in 2018 (see chart 6).
- Deposits held in instant access accounts were 3.0 per cent higher than in the same month a year earlier (see chart 7).

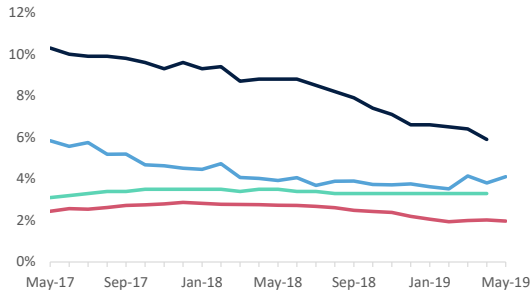
Notes to Editors

- 1 For more information please call the [UK Finance Press Office on 020 7416 6750](tel:02074166750) or e-mail press@ukfinance.org.uk.
- 2 UK Finance is the collective voice for the banking and finance industry. Representing more than 250 firms across the industry, we act to enhance competitiveness, support customers and facilitate innovation.
- 3 Data in this update referred to as main high street banks reflects more than two-thirds of all UK lending and deposit activity provided by all banks and building societies and is indicative of household behaviour.

Household borrowing

Annual growth in amounts outstanding

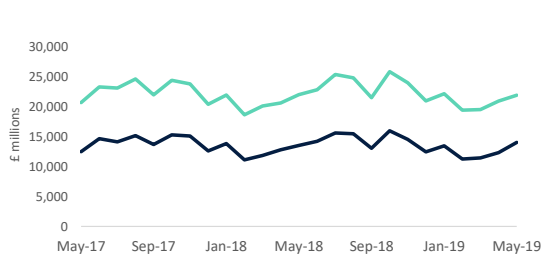
Rates reflect underlying 12-month trends, compiled on a comparable basis



Mortgages

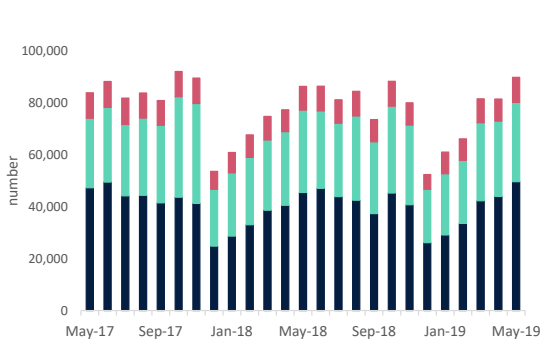
Gross mortgage lending

Value of new residential mortgage loans for home purchase, remortgaging or other purposes, secured by a first charge on the property



Mortgage approvals

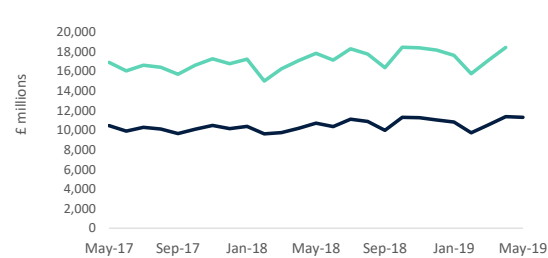
Number of new residential mortgage loans approved by high street banks for home purchase, remortgaging with a different lender or for other purposes, less cancellations. Approvals are a forward indicator of lending in future months



Consumer credit

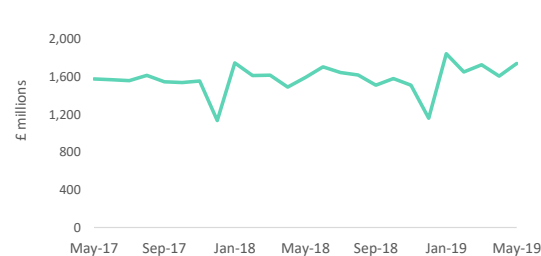
Credit card spending

Value of world-wide credit card transactions by UK cardholders using cards issued by UK banks, building societies or non-bank credit providers



Gross personal loans

Value of new personal loans provided by high street banks

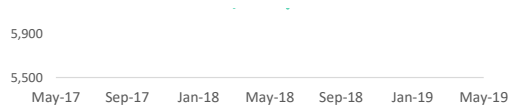


Overdrafts

Sterling amounts outstanding on personal current account



current account overdrafts with high street banks

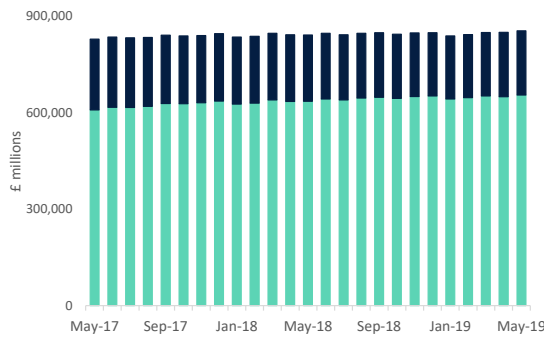


£2.8 bn

0.2%

Personal deposits & savings

total sterling deposits held in personal current and savings accounts



Latest (May 2019)

Y-o-Y comparison

£854.3 bn

1.2%

Personal deposits

of which immediate access without penalty

High street banks £654.6 bn

3.0%

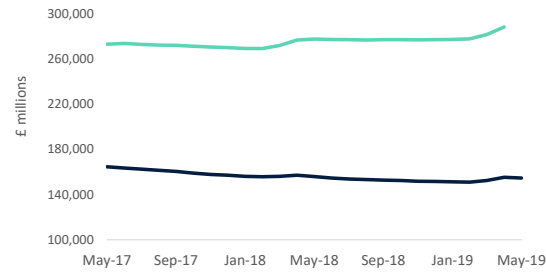
of which requiring notice or available on maturity

£199.6 bn

-3.0%

ISAs

Cash deposits held in Individual Savings Accounts



Latest (May 2019)

Y-o-Y comparison

Full market

High street banks £154.5 bn

-0.9%

Mortgages		May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	
Gross mortgage lending (£mns)	Full market	21,992	22,804	25,357	24,781	21,500	25,829	23,985	20,959	22,135	19,394	19,507	20,931	21,900	BOE/est
	High street banks	13,529	14,215	15,599	15,474	13,032	15,962	14,524	12,454	13,447	11,251	11,422	12,326	14,006	HSB
Mortgage approvals	House purchase	45,549	47,175	43,967	42,581	37,348	45,289	40,800	26,145	29,159	33,621	42,328	44,034	49,683	HP
	Remortgaging	31,748	29,819	28,294	32,457	27,676	33,505	30,736	20,653	23,618	24,281	30,063	29,014	30,579	R
Annual growth in mortgage amounts outstanding	Other loans	9,171	9,567	9,024	9,519	8,614	9,619	8,591	5,634	8,353	8,352	9,239	8,557	9,712	OL
	Full market	3.5%	3.4%	3.4%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	BOE
	High street banks	2.7%	2.7%	2.7%	2.6%	2.5%	2.4%	2.4%	2.2%	2.1%	1.9%	2.0%	2.0%	2.0%	Growth
Consumer credit		May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	
Annual growth in consumer credit	Full market	8.8%	8.8%	8.5%	8.2%	7.9%	7.4%	7.1%	6.6%	6.6%	6.5%	6.4%	5.9%		BOE
	High street banks	3.9%	4.1%	3.7%	3.9%	3.9%	3.7%	3.7%	3.8%	3.6%	3.5%	4.1%	3.8%	4.1%	Growth
Credit card spending (£mns)	Full market	17,830	17,137	18,283	17,755	16,368	18,450	18,391	18,157	17,612	15,754	17,107	18,428		BOE
	High street banks	10,698	10,369	11,108	10,887	9,974	11,311	11,271	11,034	10,823	9,716	10,532	11,373	11,299	HSB
Annual growth in credit card credit amounts outstanding	Full market	9.3%	9.4%	8.9%	8.9%	8.6%	8.2%	7.8%	7.0%	6.5%	6.3%	6.6%	5.7%		BOE
	High street banks	5.6%	5.6%	5.2%	5.7%	5.5%	5.1%	4.8%	4.2%	3.8%	3.7%	4.3%	4.1%	4.4%	Growth
Gross & net personal loans (£mns)	High street banks	1,595	1,706	1,647	1,621	1,511	1,582	1,512	1,160	1,846	1,652	1,729	1,609	1,743	gross
		-196	73	-140	-40	-150	-115	-142	-316	185	25	-32	-90	57	Net
Overdrafts (£mns)	High street banks	6,500	6,143	6,464	6,303	6,159	6,487	6,248	6,709	6,575	6,453	6,307	6,382	6,291	O/S
		176	-356	320	-157	-142	330	-230	467	-128	-106	-140	85	-84	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	High street banks	44,373	44,084	44,270	44,042	43,735	43,935	43,501	43,615	43,630	43,447	43,231	43,162	43,089	O/S
	High street banks	-20	-283	180	-197	-292	214	-371	151	57	-81	-173	-5	-28	Net
Full market	Full market	8.5%	8.5%	8.3%	7.9%	7.5%	7.0%	6.8%	6.4%	6.7%	6.6%	6.3%	6.0%		BOE
	High street banks	2.3%	2.6%	2.2%	2.1%	2.3%	2.4%	2.6%	3.3%	3.4%	3.3%	4.0%	3.5%	3.8%	Growth
Personal deposits & savings		May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	
Personal deposits (£mns)		841,589	846,781	841,857	847,041	848,597	843,763	847,937	848,611	838,285	842,690	849,297	849,497	854,279	O/S
of which instant access	High street banks	635,692	642,478	639,644	645,644	647,663	644,261	650,041	651,600	642,271	646,684	652,090	649,566	654,629	O/S
of which notice or time		205,897	204,303	202,214	201,397	200,934	199,501	197,895	197,011	196,013	196,007	197,207	199,930	199,650	O/S
		1.6%	1.3%	1.2%	1.2%	0.9%	0.7%	0.6%	0.6%	0.4%	0.6%	0.4%	0.9%	1.2%	Growth
ISAs (included above) (£mns)	Full market	277,409	277,112	276,915	276,605	276,851	276,953	276,725	276,881	277,032	277,608	281,396	288,112		BOE
	High street banks	155,876	154,632	153,767	153,203	152,794	152,329	151,730	151,603	151,227	150,941	152,373	155,191	154,522	O/S

Data included in this update relate to business conducted with the banking groups of Barclays, Lloyds, HSBC, RBS, Santander UK, TSB and Virgin Money, other than for gross mortgage lending, see below.

Gross mortgage lending reflects the total value of newly advanced loans secured on dwellings by all mortgage lenders and is estimated for the latest month by UK Finance - earlier figures and other references to full market data (ie all banks and building societies) are sourced from the Bank of England but are not yet published for the latest month.

Annual growth rates are adjusted to exclude the effects of population changes, write-offs and sales/purchases of loan books, to reflect underlying business trends where appropriate and are based on seasonally adjusted data, while all other data series are non-seasonally adjusted.

Total consumer credit and non-card consumer credit growth rates have revised in March 2018 to show the estimated underlying growth in on-going business, after reflecting a group restructure of balance sheet allocation of personal lending.

Year-on-year percentage changes compare the latest month's figure with the same month's figure in the previous year.

Extended data tables are available from our website www.ukfinance.org.uk/statistics/

For more information please call the [UK Finance Press Office on 020 7416 6750](tel:02074166750) or e-mail press@ukfinance.org.uk
