

Household Finance Update



Release date : 30 December 2019

UK Finance: Household Finance Update for November 2019

Key data highlights:

- Gross mortgage lending across the residential market in November 2019 was £23.1 billion, 3.3 per cent lower than in the same month in 2018 (see chart 2).
- Mortgage approvals for home purchases by the main high street banks in November 2019 were 6.8 per cent higher, remortgage approvals were 12.7 per cent higher while approvals for other secured borrowing were 4.2 per cent lower than in the same month in 2018 (see chart 3).
- The £10.9 billion of credit card spending in November 2019 was 3.3 per cent lower than in November 2018 (see chart 4). Repayments have remained in line with credit card spending showing that consumers are managing their finances responsibly and choosing to use credit cards as a preferred method of payment. The level of credit card borrowing grew by 2.2 per cent in the year to November 2019.
- Personal borrowing through loans in November 2019 was 3.6 per cent higher than in the same month a year earlier (see chart 5). Borrowing on overdrafts has declined over recent years with November 0.8 per cent lower than in the same month in 2018 (see chart 6).
- Personal deposits grew by 2.6 per cent in the year to November 2019. Three-quarters of deposits were held in immediate access accounts in November 2019, in line with the same period last year (see chart 7).

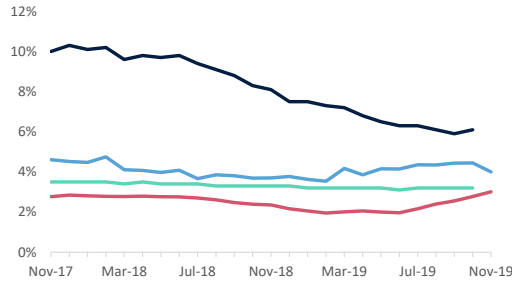
Notes to Editors

- 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. All data in this update refers to high street banks, apart from gross mortgage lending for the residential market referred to the first bullet above which covers the total market.
- 4 Please note, that due to the festive break, the Household Finance Update (November 2019) will now be published on Monday 30th December 2019.

Household borrowing

Chart 1
Annual growth in amounts outstanding

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



Mortgages

Chart 2
Gross mortgage lending

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

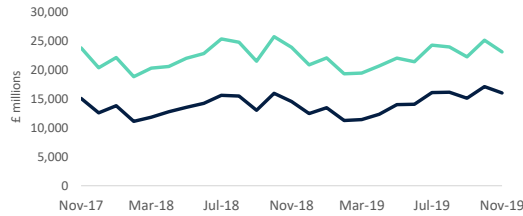
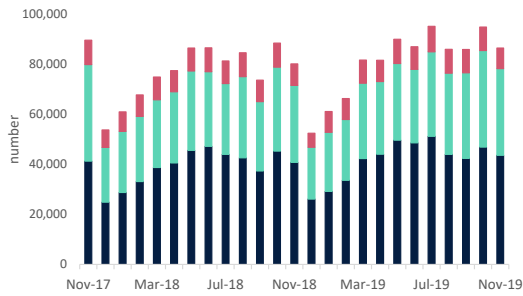


Chart 3
Mortgage approvals

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

Chart 4
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

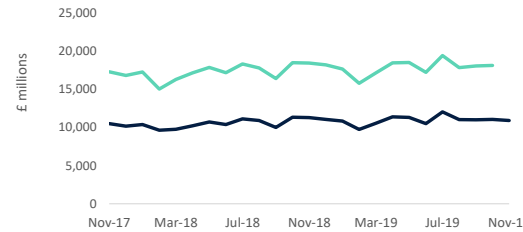


Chart 5
Gross personal loans

Value of new personal loans provided by high street banks

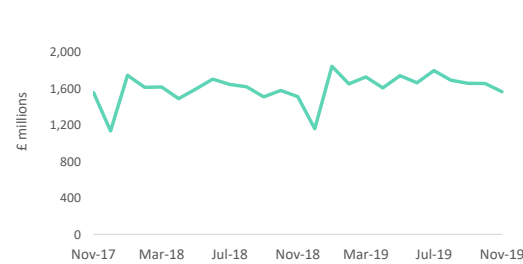
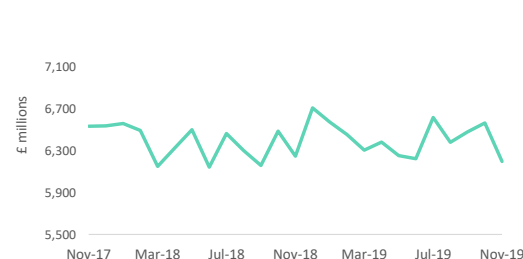


Chart 6
Overdrafts

Sterling amounts outstanding on personal current account overdrafts with high street banks

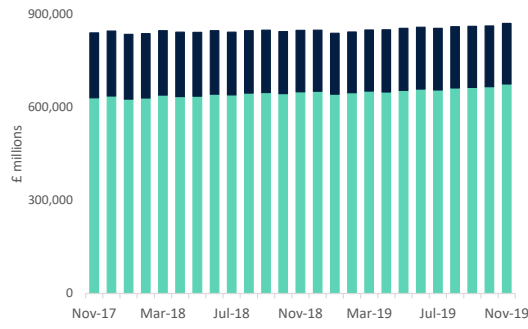


Personal deposits & savings

total sterling deposits held in personal current and savings accounts

of which immediate access without penalty

of which requiring notice or available on maturity



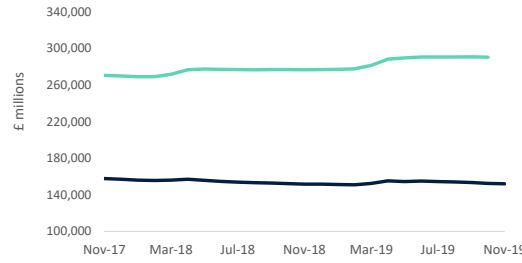
Latest (November 2019) Y-o-Y comparison

£870.4 bn 2.6%

High street banks £675.3 bn 3.9%

£195.1 bn -1.4%

Chart 7 Personal deposits



Latest (November 2019) Y-o-Y comparison

Full market

High street banks £152.1 bn 0.3%

Chart 8 ISAs

Cash deposits held in Individual Savings Accounts

Mortgages		Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	
Gross mortgage lending (£mns)	Full market	23,880	20,854	22,060	19,319	19,432	20,681	22,037	21,380	24,255	23,938	22,232	25,109	23,100	BOE/est
	High street banks	14,524	12,454	13,447	11,251	11,422	12,326	14,006	14,062	16,073	16,122	15,096	17,103	16,023	HSB
Mortgage approvals	Home purchase	40,800	26,145	29,159	33,621	42,328	44,034	49,683	48,539	51,160	43,957	42,376	46,892	43,589	HP
	Remortgaging	30,736	20,653	23,618	24,281	30,063	29,014	30,579	29,415	33,792	32,490	34,157	38,549	34,653	R
	Other loans	8,591	5,634	8,353	8,352	9,239	8,557	9,712	9,059	10,174	9,484	9,347	9,436	8,234	OL
Annual growth in mortgage amounts outstanding	Full market	3.3%	3.3%	3.2%	3.2%	3.2%	3.2%	3.2%	3.1%	3.2%	3.2%	3.2%	3.2%		BOE
	High street banks	2.4%	2.2%	2.1%	2.0%	2.0%	2.1%	2.0%	2.0%	2.2%	2.4%	2.6%	2.8%	3.0%	Growth

Consumer credit		Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	
Annual growth in consumer credit	Full market	8.1%	7.5%	7.5%	7.3%	7.2%	6.8%	6.5%	6.3%	6.3%	6.1%	5.9%	6.1%		BOE
	High street banks	3.7%	3.8%	3.6%	3.5%	4.2%	3.9%	4.2%	4.1%	4.4%	4.3%	4.4%	4.4%	4.0%	Growth
Credit card spending (£mns)	Full market	18,393	18,159	17,614	15,756	17,109	18,430	18,476	17,196	19,381	17,805	18,024	18,087		BOE
	High street banks	11,271	11,034	10,823	9,716	10,532	11,373	11,299	10,487	12,014	10,998	10,982	11,031	10,898	HSB
Annual growth in credit card credit amounts outstanding	Full market	7.8%	7.0%	6.5%	6.4%	6.6%	5.8%	5.5%	5.0%	5.2%	4.8%	4.4%	4.7%		BOE
	High street banks	4.9%	4.2%	3.9%	3.7%	4.3%	4.1%	4.3%	4.0%	3.8%	3.3%	3.0%	3.1%	2.2%	Growth
Gross & net personal loans (£mns)	High street banks	1,512	1,160	1,846	1,652	1,729	1,609	1,743	1,664	1,800	1,694	1,659	1,657	1,566	gross
	High street banks	-142	-316	185	25	-32	-90	94	111	199	124	96	-7	-7	Net
Overdrafts (£mns)	High street banks	6,248	6,709	6,575	6,453	6,307	6,382	6,254	6,223	6,617	6,381	6,481	6,565	6,198	O/S
	High street banks	-230	467	-128	-106	-140	85	-121	-25	409	-227	109	95	-348	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	High street banks	43,501	43,615	43,630	43,447	43,231	43,162	43,089	43,134	43,643	43,472	43,614	43,629	43,143	O/S
	High street banks	-371	151	57	-81	-173	-5	-28	86	608	-103	205	88	-355	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	Full market	8.2%	7.7%	8.0%	7.8%	7.5%	7.3%	7.0%	6.9%	6.9%	6.8%	6.7%	6.8%		BOE
	High street banks	2.5%	3.3%	3.4%	3.3%	4.1%	3.6%	4.0%	4.3%	4.9%	5.5%	6.0%	5.9%	6.0%	Growth

Personal deposits & savings		Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	
Personal deposits (£mns)		847,937	848,611	838,285	842,690	849,297	849,497	854,278	858,123	854,214	859,926	861,022	861,927	870,376	O/S
of which instant access		650,041	651,600	642,271	646,684	652,090	649,566	654,629	658,764	655,819	662,151	664,221	666,364	675,303	O/S
of which notice or time		197,895	197,011	196,013	196,007	197,207	199,930	199,650	199,358	198,395	197,775	196,801	195,562	195,073	O/S
		0.7%	0.7%	0.4%	0.6%	0.3%	0.9%	1.2%	1.3%	1.6%	1.4%	1.7%	2.1%	2.6%	Growth
ISAs (included above) (£mns)	Full market	276,725	276,881	277,032	277,608	281,396	288,185	289,582	290,679	290,651	290,658	290,760	290,521		BOE
	High street banks	151,730	151,603	151,227	150,941	152,373	155,191	154,522	155,027	154,503	154,061	153,368	152,519	152,126	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 or e-mail press@ukfinance.org.uk
