

Household Lending and Deposits Update



Release date : 26 February 2019

UK Finance: Household Lending and Deposits Update for January 2019

Key data highlights:

- Gross mortgage lending across the residential market in January 2019 was £21.6bn, some 1.5 per cent lower than the same month the previous year.

- The number of mortgages approved by the main high street banks in January 2019 was 0.3 per cent higher than the same month the previous year; approvals for home purchase were 1.5 per cent higher, remortgage approvals were 3.1 per cent lower and approvals for other secured borrowing were 6.8 per cent higher. This follows several months of strong growth in remortgaging earlier in 2018, as customers took advantage of a competitive mortgage market to lock into attractive deals.

- The £10.8 billion of credit card spending in January 2019 was 4.4 per cent higher than the same month the previous year. The outstanding level of credit card borrowing also grew by 4.4 per cent in the twelve months to January. Personal borrowing through loans and overdrafts grew by 4.7 per cent in the year to January.

- Personal deposits in total grew by 0.4 per cent in the year to January 2019. This suggests that the recent rise in real wages has not yet translated into higher levels of savings. Deposits held in instant access accounts were 2.4 per cent higher than last December, reflecting the preference amongst consumers to keep cash close to hand amid ongoing economic uncertainty.

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 help drive forward positive change to enhance standards, support customers and promote 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.

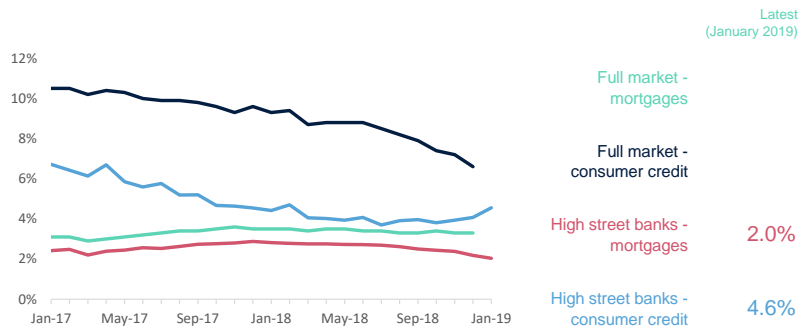
Next update:

26 March 2019

Household borrowing

Annual growth in amounts outstanding

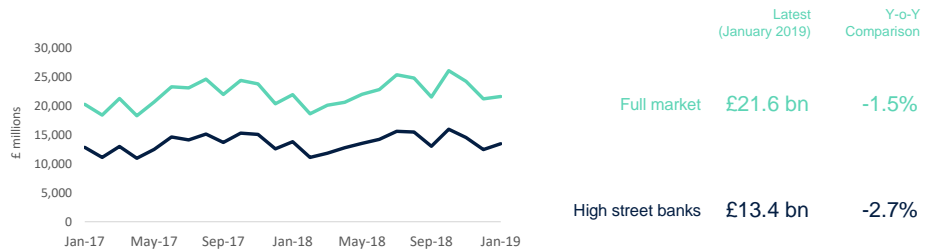
Rates reflect underlying 12-month trends, compiled on a comparable basis



Mortgages

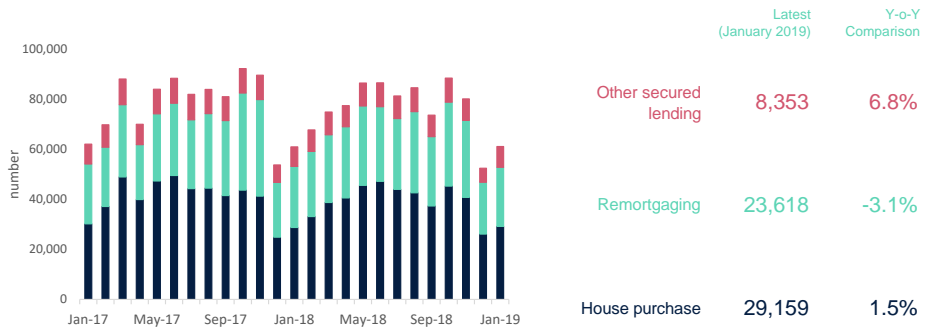
Gross mortgage lending

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



Mortgage approvals

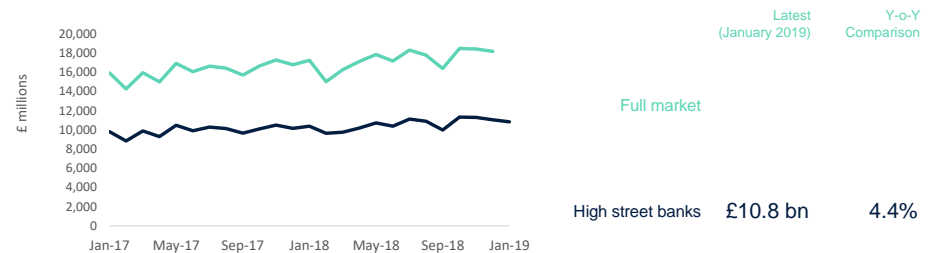
Number of new residential mortgage loans approved by high street banks for home purchase, remortgaging with a different lender or for other purposes, less cancellations. Approvals are a forward indicator of lending in future months



Consumer credit

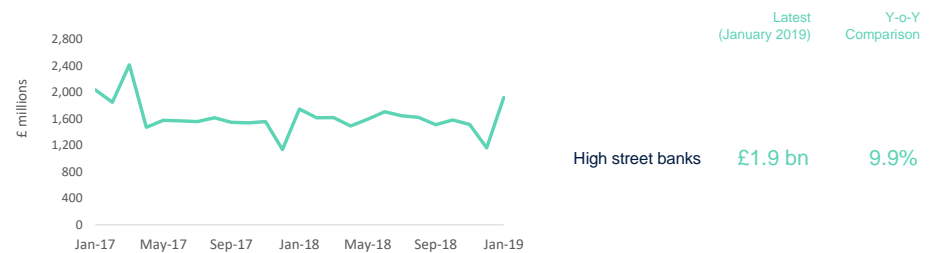
Credit card spending

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



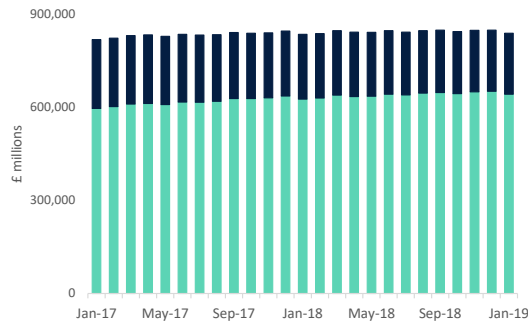
Overdrafts

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



Personal deposits & savings

total sterling deposits held in personal current and savings accounts



Latest (January 2019) Y-o-Y comparison

£838.3 bn 0.4%

Personal deposits

of which immediate access without penalty

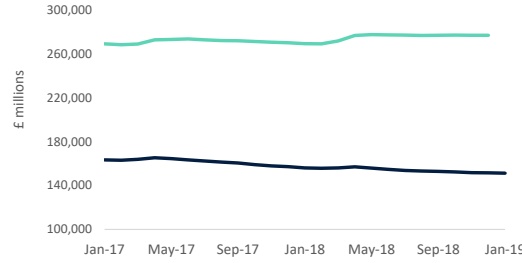
High street banks £642.3 bn 2.5%

of which requiring notice or available on maturity

£196.0 bn -5.9%

ISAs

Cash deposits held in Individual Savings Accounts



Latest (January 2019) Y-o-Y comparison

Full market

High street banks £151.2 bn -3.1%

Mortgages		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	
Gross mortgage lending (£mns)	Full market	21,921	18,630	20,096	20,611	22,006	22,818	25,371	24,795	21,514	26,068	24,224	21,198	21,600	BOE/est
	High street banks	13,815	11,110	11,833	12,784	13,529	14,215	15,599	15,474	13,032	15,962	14,524	12,454	13,447	HSB
Mortgage approvals	House purchase	28,739	33,110	38,710	40,564	45,549	47,175	43,967	42,581	37,348	45,289	40,800	26,145	29,159	HP
	Remortgaging	24,384	25,999	27,057	28,390	31,748	29,819	28,294	32,457	27,676	33,505	30,736	20,653	23,618	R
	Other loans	7,821	8,621	9,088	8,488	9,171	9,567	9,024	9,519	8,614	9,619	8,591	5,634	8,353	OL
Annual growth in mortgage amounts outstanding	Full market	3.5%	3.5%	3.4%	3.5%	3.5%	3.4%	3.4%	3.3%	3.3%	3.4%	3.3%	3.3%		BOE
	High street banks	2.8%	2.8%	2.8%	2.8%	2.7%	2.7%	2.7%	2.6%	2.5%	2.4%	2.4%	2.2%	2.0%	Growth

Consumer credit		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	
Annual growth in consumer credit	Full market	9.3%	9.4%	8.7%	8.8%	8.8%	8.8%	8.5%	8.2%	7.9%	7.4%	7.2%	6.6%		BOE
	High street banks	4.4%	4.7%	4.1%	4.0%	3.9%	4.1%	3.7%	3.9%	4.0%	3.8%	3.9%	4.1%	4.6%	Growth
Credit card spending (£mns)	Full market	17,226	15,001	16,256	17,104	17,830	17,137	18,283	17,755	16,368	18,451	18,391	18,157		BOE
	High street banks	10,370	9,615	9,746	10,182	10,698	10,369	11,108	10,887	9,974	11,311	11,271	11,034	10,823	HSB
Annual growth in credit card credit amounts outstanding	Full market	9.5%	9.6%	8.9%	8.9%	9.3%	9.4%	8.9%	8.9%	8.6%	8.3%	7.9%	7.1%		BOE
	High street banks	6.1%	6.3%	5.8%	5.2%	5.7%	5.6%	5.3%	5.7%	5.6%	5.2%	5.2%	4.7%	4.4%	Growth
Gross & net personal loans (£mns)	High street banks	1,748	1,614	1,619	1,492	1,595	1,706	1,647	1,621	1,511	1,582	1,512	1,160	1,921	gross
		78	-24	-215	-219	-196	73	-140	-40	-150	-115	-142	-316	350	Net
Overdrafts (£mns)	High street banks	6,560	6,493	6,150	6,326	6,500	6,143	6,464	6,303	6,159	6,487	6,248	6,709	6,575	O/S
		50	-64	-341	180	176	-356	320	-157	-142	330	-230	467	-128	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	High street banks	45,146	45,043	44,469	44,405	44,373	44,084	44,270	44,042	43,735	43,935	43,501	43,615	43,795	O/S
	High street banks	128	-89	-556	-39	-20	-283	180	-197	-292	214	-371	151	222	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	Full market	9.3%	9.3%	8.6%	8.8%	8.5%	8.5%	8.3%	7.9%	7.5%	7.0%	6.8%	6.4%		BOE
	High street banks	2.9%	3.2%	2.5%	2.8%	2.3%	2.6%	2.2%	2.1%	2.3%	2.4%	2.6%	3.5%	4.7%	Growth

Personal deposits & savings		Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	
Personal deposits (£mns)		834,926	837,310	846,916	842,294	841,589	846,781	841,857	847,041	848,597	843,763	847,937	848,611	838,285	O/S
of which instant access		626,584	629,736	639,415	634,615	635,692	642,478	639,644	645,644	647,663	644,261	650,041	651,600	642,271	O/S
of which notice or time		208,342	207,574	207,501	207,679	205,897	204,303	202,214	201,397	200,934	199,501	197,895	197,011	196,013	O/S
		2.2%	1.9%	1.8%	1.4%	1.6%	1.3%	1.2%	1.2%	0.9%	0.7%	0.6%	0.6%	0.4%	Growth
ISAs (included above) (£mns)	Full market	269,097	269,072	271,687	276,657	277,409	277,112	276,915	276,605	276,851	276,953	276,725	276,881		BOE
	High street banks	156,026	155,749	156,071	157,055	155,876	154,632	153,767	153,203	152,794	152,329	151,730	151,603	151,227	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
