

Household Finance Update



Release date : 24 July 2019

UK Finance: Household Finance Update for June 2019

Key data highlights:

- Gross mortgage lending across the residential market in June 2019 was £21.9 billion, some 4.0 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 June 2019 was 2.9 per cent higher than in the same month in 2018. Remortgage approvals were 1.4 per cent lower and approvals for other secured borrowing were 5.3 per cent lower than the same month a year earlier (see chart 3).
- The £10.5 billion of credit card spending in June 2019 was 1.1 per cent higher than the same month in 2018 (see chart 4). The outstanding level of credit card borrowing grew by 4.0 per cent in the 12 months to June. Repayments have remained in line with credit card spending, showing that consumers are managing their finances effectively overall.
- Personal borrowing through loans in June 2019 was 2.4 per cent lower than the same month a year ago (see chart 5) though lending through overdrafts in June 2019 was 1.3 per cent higher compared to the same month last year (see chart 6).
- Deposits held in instant access accounts were 2.5 per cent higher than in the same month a year ago (see chart 7), reflecting consumers' preference to keep cash close to hand amid ongoing economic uncertainty. ISA deposits were 0.3 per cent higher compared to the same month last year (see chart 8).

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.

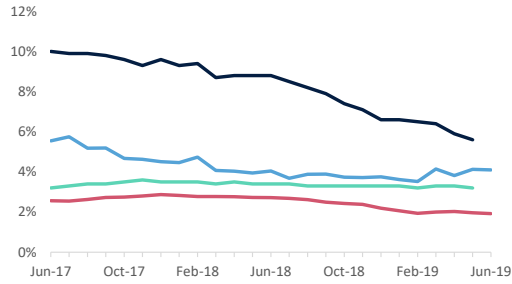
Next update:

27 August 2019

Household borrowing

Chart 1
Annual growth in amounts outstanding

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



Latest (June 2019)

Full market - mortgages

Full market - consumer credit

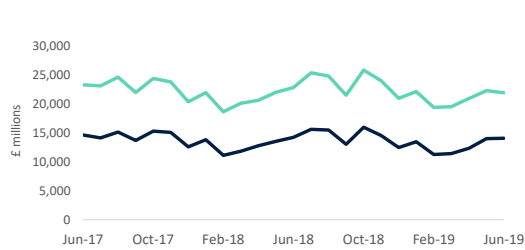
High street banks - mortgages

High street banks - consumer credit

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



Latest (June 2019)

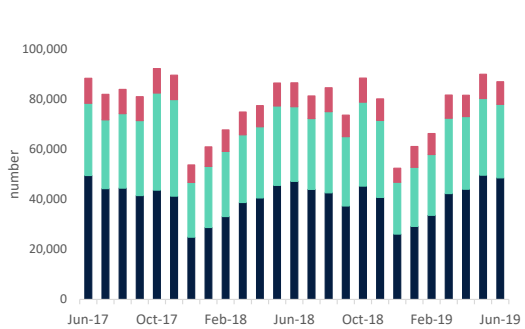
Y-o-Y Comparison

Full market

High street banks

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



Latest (June 2019)

Y-o-Y Comparison

Other secured lending

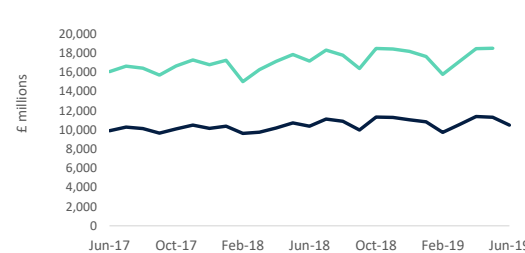
Remortgaging

House purchase

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



Latest (June 2019)

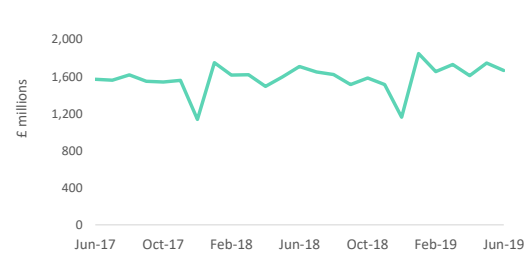
Y-o-Y Comparison

Full market

High street banks

Chart 5
Gross personal loans

Value of new personal loans provided by high street banks



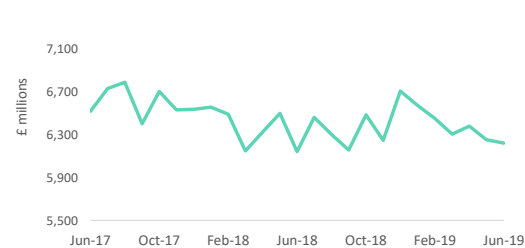
Latest (June 2019)

Y-o-Y Comparison

High street banks

Chart 6
Overdrafts

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



Latest (June 2019)

Y-o-Y comparison

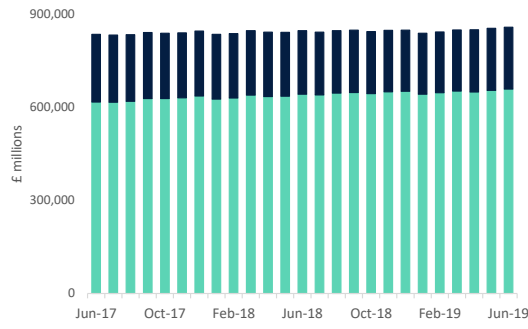
High street banks

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 (June 2019) Y-o-Y comparison

£858.1 bn 1.3%

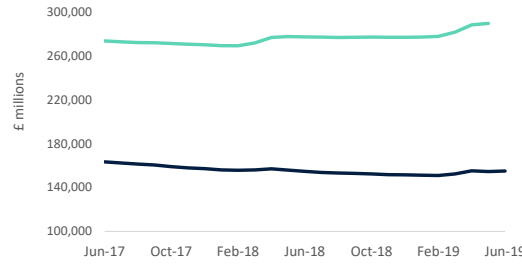
High street banks £658.8 bn 2.5%

£199.4 bn -2.4%

Chart 7
Personal deposits

Chart 8
ISAs

Cash deposits held in Individual Savings Accounts



Latest (June 2019) Y-o-Y comparison

Full market

High street banks £155.0 bn 0.3%

Mortgages		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Gross mortgage lending (£mns)	Full market	22,804	25,357	24,781	21,500	25,829	23,985	20,959	22,135	19,394	19,507	20,930	22,283	21,900	BOE/est
	High street banks	14,215	15,599	15,474	13,032	15,962	14,524	12,454	13,447	11,251	11,422	12,326	14,006	14,062	HSB
Mortgage approvals	House purchase	47,175	43,967	42,581	37,348	45,289	40,800	26,145	29,159	33,621	42,328	44,034	49,683	48,539	HP
	Remortgaging	29,819	28,294	32,457	27,676	33,505	30,736	20,653	23,618	24,281	30,063	29,014	30,579	29,415	R
	Other loans	9,567	9,024	9,519	8,614	9,619	8,591	5,634	8,353	8,352	9,239	8,557	9,712	9,059	OL
Annual growth in mortgage amounts outstanding	Full market	3.4%	3.4%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.2%	3.3%	3.3%	3.2%		BOE
	High street banks	2.7%	2.7%	2.6%	2.5%	2.4%	2.4%	2.2%	2.1%	1.9%	2.0%	2.0%	2.0%	1.9%	Growth

Consumer credit		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Annual growth in consumer credit	Full market	8.8%	8.5%	8.2%	7.9%	7.4%	7.1%	6.6%	6.6%	6.5%	6.4%	5.9%	5.6%		BOE
	High street banks	4.0%	3.7%	3.9%	3.9%	3.7%	3.7%	3.8%	3.6%	3.5%	4.1%	3.8%	4.1%	4.1%	Growth
Credit card spending (£mns)	Full market	17,137	18,283	17,755	16,368	18,450	18,391	18,157	17,612	15,754	17,107	18,428	18,473		BOE
	High street banks	10,369	11,108	10,887	9,974	11,311	11,271	11,034	10,823	9,716	10,532	11,373	11,299	10,487	HSB
Annual growth in credit card credit amounts outstanding	Full market	9.4%	8.9%	8.9%	8.6%	8.2%	7.8%	7.0%	6.5%	6.3%	6.6%	5.8%	5.5%		BOE
	High street banks	5.6%	5.2%	5.7%	5.5%	5.1%	4.8%	4.2%	3.8%	3.7%	4.3%	4.1%	4.4%	4.0%	Growth
Gross & net personal loans (£mns)	High street banks	1,706	1,647	1,621	1,511	1,582	1,512	1,160	1,846	1,652	1,729	1,609	1,743	1,664	gross
	High street banks	73	-140	-40	-150	-115	-142	-316	185	25	-32	-90	94	111	Net
Overdrafts (£mns)	High street banks	6,143	6,464	6,303	6,159	6,487	6,248	6,709	6,575	6,453	6,307	6,382	6,254	6,223	O/S
	High street banks	-356	320	-157	-142	330	-230	467	-128	-106	-140	85	-121	-25	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	High street banks	44,084	44,270	44,042	43,735	43,935	43,501	43,615	43,630	43,447	43,231	43,162	43,089	43,134	O/S
	High street banks	-283	180	-197	-292	214	-371	151	57	-81	-173	-5	-28	86	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	Full market	8.5%	8.3%	7.9%	7.5%	7.0%	6.8%	6.4%	6.7%	6.6%	6.3%	6.0%	5.6%		BOE
	High street banks	2.5%	2.2%	2.1%	2.3%	2.4%	2.6%	3.3%	3.4%	3.3%	4.0%	3.5%	3.9%	4.2%	Growth

Personal deposits & savings		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	
Personal deposits (£mns)		846,781	841,857	847,041	848,597	843,763	847,937	848,611	838,285	842,690	849,297	849,497	854,278	858,123	O/S
of which instant access		642,478	639,644	645,644	647,663	644,261	650,041	651,600	642,271	646,684	652,090	649,566	654,629	658,764	O/S
of which notice or time		204,303	202,214	201,397	200,934	199,501	197,895	197,011	196,013	196,007	197,207	199,930	199,650	199,358	O/S
		1.3%	1.2%	1.2%	0.9%	0.7%	0.6%	0.6%	0.4%	0.6%	0.4%	0.9%	1.2%	1.3%	Growth
ISAs (included above) (£mns)	Full market	277,112	276,915	276,605	276,851	276,953	276,725	276,881	277,032	277,608	281,396	288,112	289,437		BOE
	High street banks	154,632	153,767	153,203	152,794	152,329	151,730	151,603	151,227	150,941	152,373	155,191	154,522	155,027	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
