

**ASSET BASED FINANCE ASSOCIATION  
QUARTERLY STATISTICS  
TO DECEMBER 2016**

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## 1. CONTRIBUTORS

The members listed below contributed data for the period to December 2016:

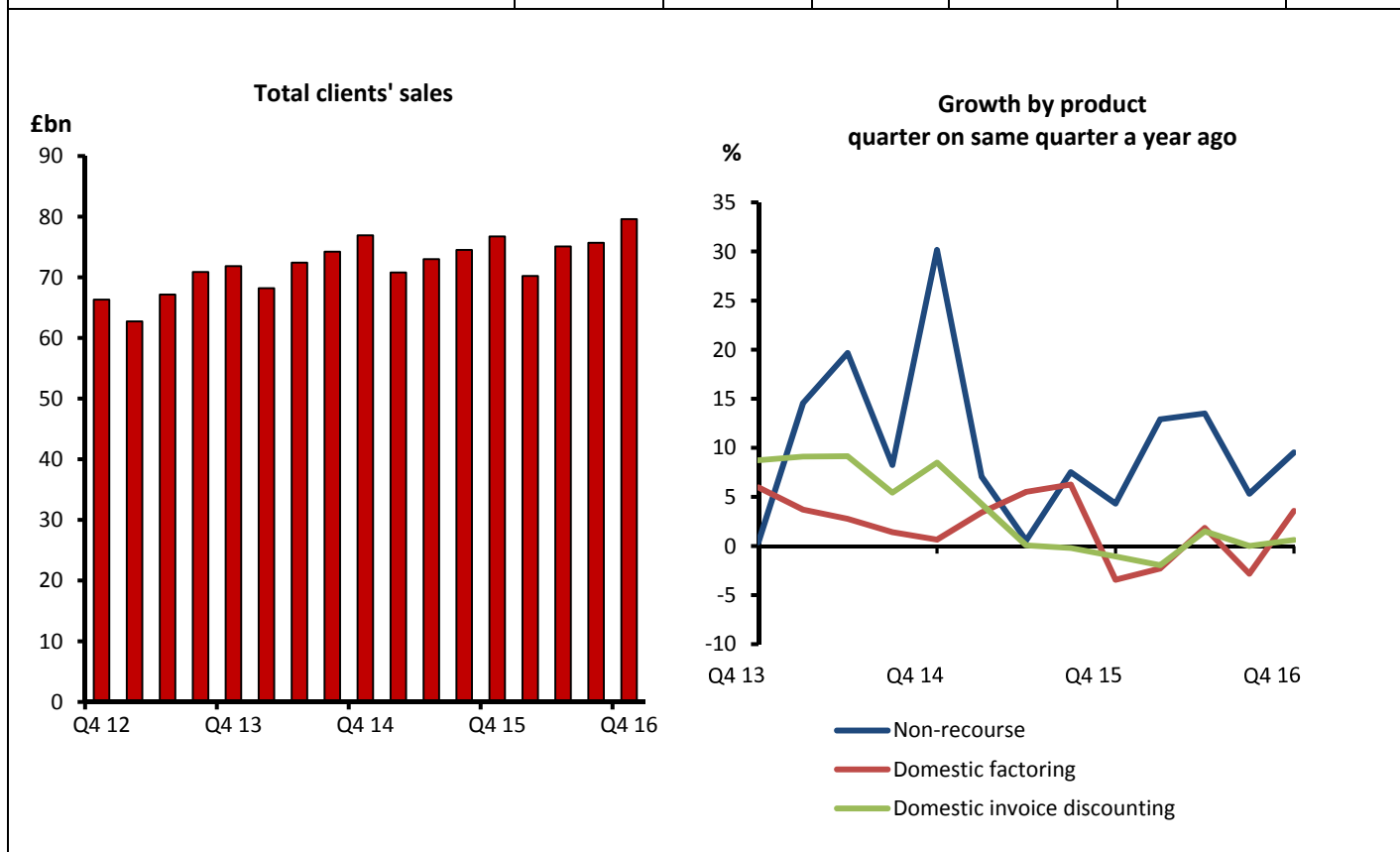
<p><b>A</b>                  ABN AMRO Commercial Finance                  AIB Commercial Finance Ltd – Northern Ireland                  AIB Commercial Finance Ltd – ROI Ireland                  Aldermore Invoice Finance                  Amicus Commercial Finance Ltd                  Ashley Commercial Finance Ltd</p>	<p><b>H, I, J</b>                  HH Cashflow Finance                  Hitachi Capital (UK) PLC                  HSBC Invoice Finance (UK) Ltd                  IGF Invoice Finance Ltd                  JSM Finance Ltd</p>
<p><b>B</b>                  Bank of Ireland Commercial Finance – Northern Ireland                  Bank of Ireland Commercial Finance – ROI Ireland                  Barclays Trade and Working Capital                  Bibby Financial Services Ltd                  BNP Paribas Commercial Finance Ltd</p>	<p><b>K, L, M</b>                  Leumi ABL Ltd                  Lloyds Bank Commercial Finance Ltd                  Metro Bank Asset &amp; Invoice Finance</p>
<p><b>C, D</b>                  Cavendish Investment                  Close Brothers Invoice Finance Ltd                  Clydesdale Bank plc &amp; Yorkshire Bank Invoice Finance                  Danske Bank</p>	<p><b>P, Q, R</b>                  Paragon Bank Business Finance PLC                  Positive Cashflow Finance Ltd                  Pulse Cashflow Finance Ltd                  Quantum Factors Ltd                  RBS Invoice Finance                  Regency Factors PLC</p>
<p><b>E, F</b>                  Easy Invoice Finance                  Factor 21 PLC                  Factor 21 North</p>	<p><b>S, T</b>                  Santander Invoice Finance                  Secure Trust Bank Commercial Finance                  Shawbrook Business Credit                  Siemens Financial Services Ltd                  Skipton Business Finance Ltd                  Team Factors Ltd</p>
<p><b>G</b>                  GapCap Ltd                  GE Capital Bank Ltd                  Gener8 Finance Ltd</p>	<p><b>U, V, W</b>                  Ulster Bank Invoice Finance - Northern Ireland                  Ulster Bank Invoice Finance – ROI Ireland                  Ultimate Finance Group                  Wells Fargo Capital Finance                  Working Capital Partners Ltd</p>

# ABFA STATISTICS

## 2.1. CLIENTS' SALES

The statistics below represent the aggregate of all those members contributing data.

CLIENTS' SALES (£M) (All products)	Quarter ended ...			Year-to-date ...		
	Dec 16	Dec 15	% Change	Dec 16	Dec 15	% Change
Domestic factoring	5,021	4,847	4%	19,506	19,492	0%
Domestic invoice discounting	67,165	66,746	1%	256,605	256,433	0%
Export factoring	359	303	18%	1,266	1,215	4%
Export invoice discounting	6,626	4,695	41%	22,439	17,274	30%
Import factoring	139	170	-18%	552	727	-24%
<b>Total clients' sales</b>	<b>79,310</b>	<b>76,761</b>	<b>3%</b>	<b>300,368</b>	<b>295,141</b>	<b>2%</b>
Non-recourse included in total above	11,010	10,052	10%	39,663	36,015	10%
Credit protection payments to clients	17.7	7.4	139%	41.4	29.8	39%



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## 2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Dec 16	Dec 15	% Change
Pure invoice finance – advances against debt	17,976	15,847	13%
Invoice finance plus – advances against debt plus other assets	232	217	7%
ABL facilities:			
Advances against debt	2,737	2,382	15%
Advances against stock	657	596	10%
Advances against plant and machinery	351	341	3%
Advances against property	155	133	17%
Advances against other assets	100	106	-6%
<i>Total excluding other commitments</i>	<i>22,208</i>	<i>19,622</i>	<i>13%</i>
Other commitments	18	14	29%
<b>Total advances</b>	<b>22,226</b>	<b>19,636</b>	<b>13%</b>
<b>Total funding available</b>	<b>32,535</b>	<b>29,163</b>	<b>12%</b>
<b>Total facilities agreed</b>	<b>41,748</b>	<b>39,150</b>	<b>7%</b>
Debtor outstandings	39,515	36,606	8%
Stock	3,102	2,274	36%
Plant and machinery	829	787	5%
Property	264	223	18%
Other trading assets	20	10	100%
<b>Total security values</b>	<b>43,730</b>	<b>39,900</b>	<b>10%</b>

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Dec 16	Dec 15	% Change
Domestic factoring	16,236	16,858	-4%
Domestic invoice discounting	20,159	19,848	2%
Export and mixed export + domestic	5,675	5,580	2%
Import factoring	574	556	3%
Stock Finance	104	115	-10%
ABL facilities	1,133	906	25%
<b>Total number of clients</b>	<b>43,881</b>	<b>43,863</b>	<b>0%</b>
Clients lost in quarter	2,265	2,392	-5%
Clients gained in quarter	2,078	2,115	-2%

# ABFA STATISTICS

Asset Based Finance Association

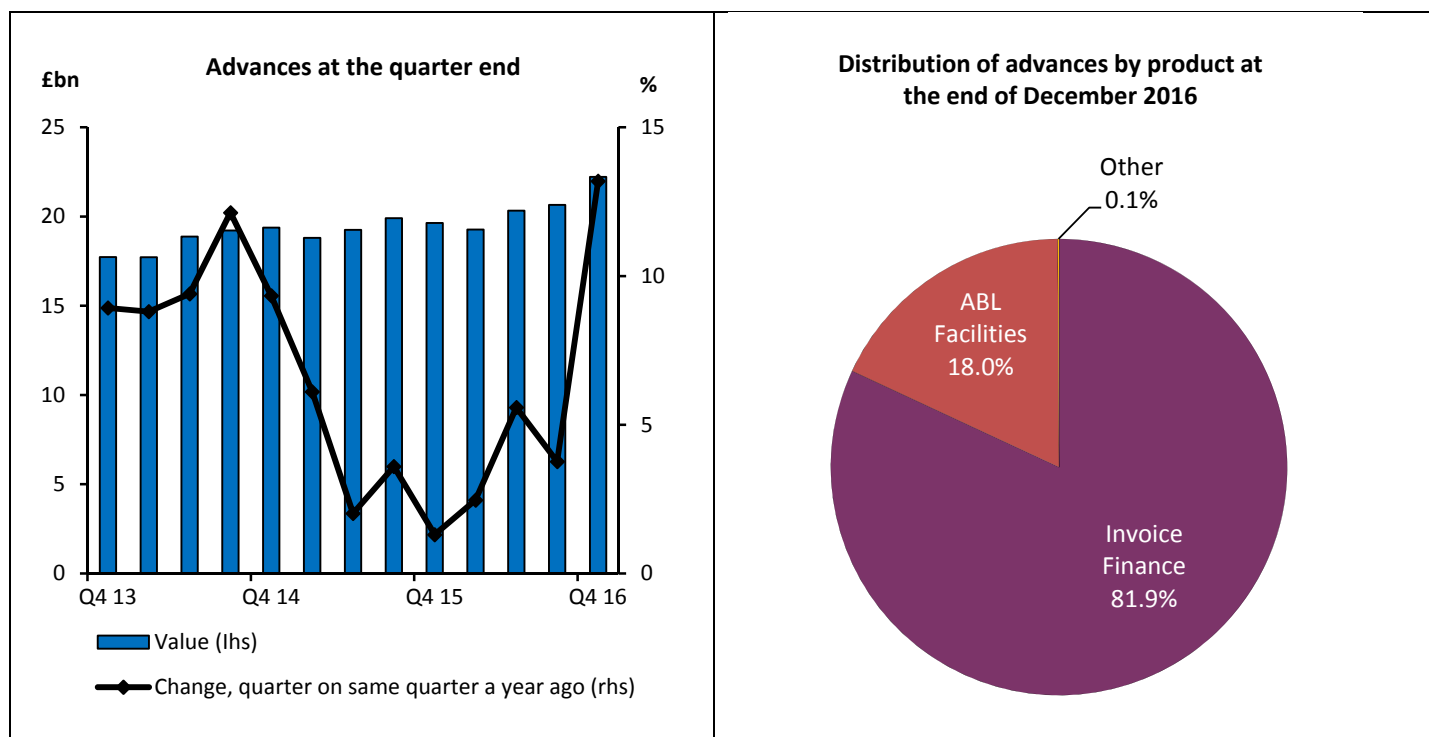
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## 2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended December 2016			
	Sole lender deals	Syndicate deals		Total deals
		Lead	Non-Lead	
Clients' sales volumes (£m)	67,131	12,179	N/A	79,310
Advances at the period end (£m)	19,086	1,135	2,005	22,226
Number of clients at period end	43,762	119	N/A	43,881

## 2.4. ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands £m	Number of clients at the quarter end	Advanced at the quarter end £m
0.0 – 0.5	13,892	701
0.5 – 1.0	6,324	532
1.0 – 5.0	14,964	3,073
5.0 – 10.0	4,090	2,080
10.0 – 25.0	2,586	3,257
25.0 – 50.0	1,116	2,137
50.0 – 100.0	505	2,283
Over 100.0	404	8,163
<b>Total</b>	<b>43,881</b>	<b>22,226</b>



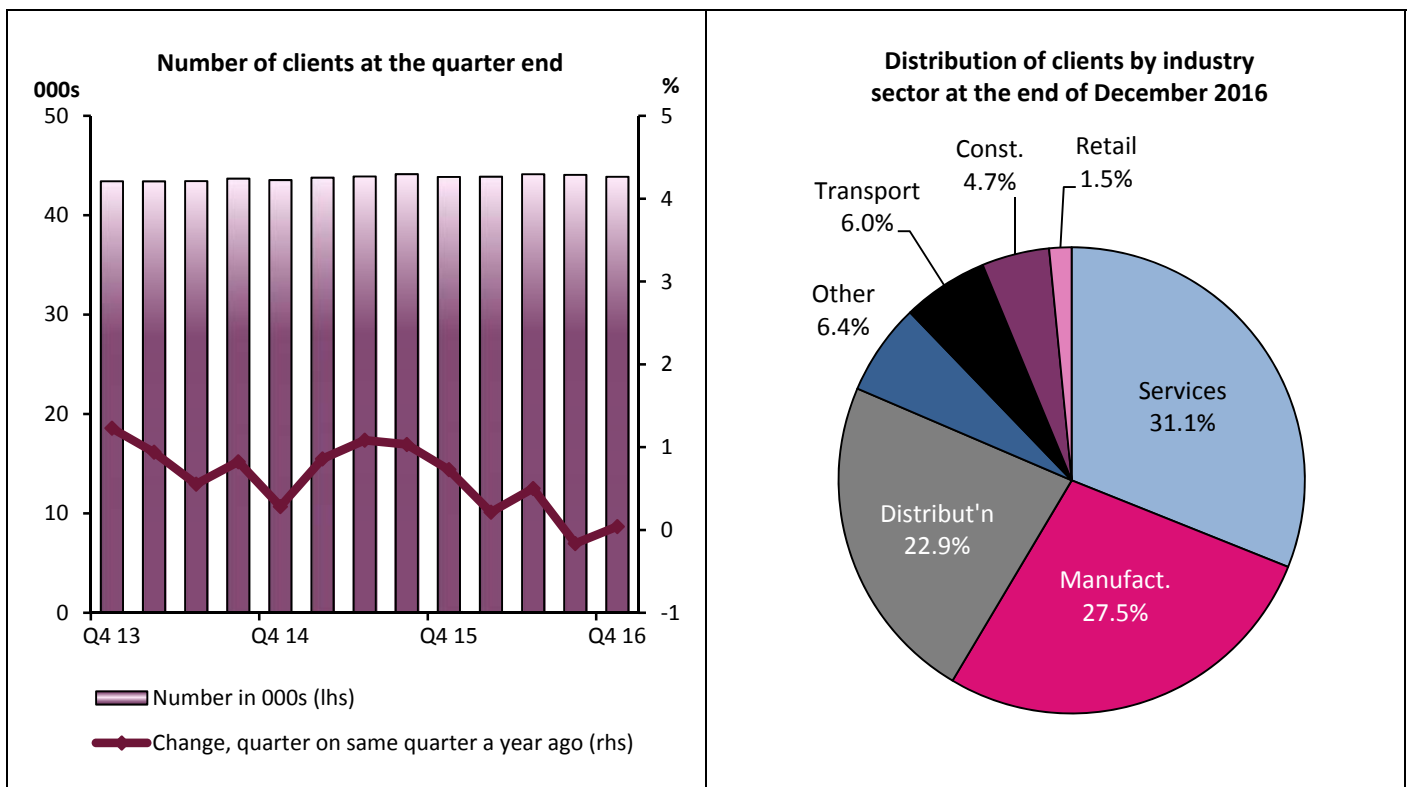
**2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR**

Industry sector	Number of clients at the quarter end
Services	13,629
Manufacturing	12,059
Distribution	10,050
Transport	2,615
Construction	2,058
Retail	678
Other	2,792
<b>Total</b>	<b>43,881</b>

**2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING**

Results based on taking a simple average of those members reporting data:

Factoring clients	53.3 days
Discounting clients	56.1 days



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## 3. AGGREGATE RESULTS OF THE MEMBERS IN THE REPUBLIC OF IRELAND

In the following tables figures are quoted in euros (€). Notes 1 and 2 on page 7 should be read in conjunction with this section.

CLIENT'S SALES VOLUME (€M) (All products)	Quarter ended ...			Year-to-date ...		
	Dec 16	Dec 15	% Change	Dec 16	Dec 15	% Change
Total clients' sales	6,187	6,778	-9%	23,952	25,978	-8%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Dec 16	Dec 15	% Change
Total advances	1,220	1,273	-4%
Total securities values	3,161	3,014	5%
Total funding available	2,340	2,357	-1%
Total funding agreed	3,015	3,595	-16%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Dec 16	Dec 15	% Change
Total number of clients	1,968	1,945	1%
Clients lost in quarter	38	49	-22%
Clients gained in quarter	39	47	-17%



## ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands (£m)	Number of clients at the quarter end	Advanced at the quarter end €m
0.0 – 0.5	361	123
0.5 – 1.0	194	62
1.0 – 5.0	927	334
5.0 – 10.0	276	170
10.0 – 25.0	120	163
25.0 – 50.0	49	138
50.0 – 100.0	31	120
Over 100.0	10	110
<b>Total</b>	<b>1,968</b>	<b>1,220</b>

## ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Distribution	801
Manufacturing	376
Services	362
Transport	84
Retail	82
Construction	35
Other	228
<b>Total</b>	<b>1,968</b>

### Notes to the Republic of Ireland statistics

1. The group comprises of:

- AIB Commercial Finance – ROI Ireland;
- Bank of Ireland Commercial Finance – ROI Ireland;
- Bibby Financial Services Ltd;
- Danske Bank;
- Lloyds Bank Commercial Finance Ltd;
- Ulster Bank Invoice Finance – ROI Ireland

2. Data on the average number of debtor days outstanding for factoring and discounting clients have not been published since not all contributors are currently able to supply this information.

**4. ECONOMIC AND BUSINESS LENDING TRENDS**

The first estimate of Q4 2016 GDP published by the Office for National Statistics showed that the economy grew by 0.6% compared with the previous quarter, and by 2.0% in 2016 as a whole. The services sector drove growth in the final quarter of 2016, with output 0.8% higher than in the previous quarter. Over that period, each of the other main industry sectors returned to growth, with output from the manufacturing, agricultural and construction sectors growing by 1.2%, 0.4% and 0.2% respectively.

The most recent consensus of independent forecasts published by HM Treasury on 15 February 2017 shows that GDP is expected to grow by 1.6% in 2017 and by 1.4% in 2018 (based on the average of 18 new forecasts made between 1 February and 8 February). Private consumption is forecast to grow in 2017 by 1.7%, while fixed capital investment growth is expected to be flat. Net trade is forecast to make a positive contribution to GDP growth of 0.2 percentage points in 2017.

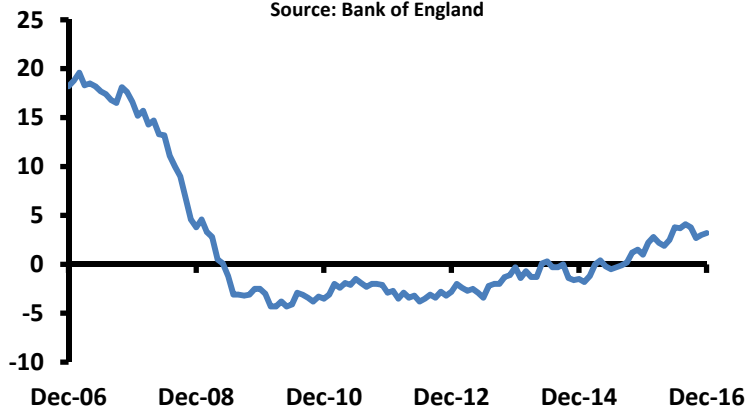
**Net lending** to private non-financial corporations (PNFCs) grew by 3.2% in the twelve months to December 2016. Over the same period, **gross lending** to PNFCs grew by 13.8% to £233.7 billion, with continued strong growth in new lending to large businesses.

In Q4 2016, the **total net funds** raised by PNFCs in the UK was £5.5 billion, down from £7.0 billion in the previous quarter. In the final quarter of 2016, net funds raised through loans reached £3.1 billion, up from £1.4 billion in the previous quarter.

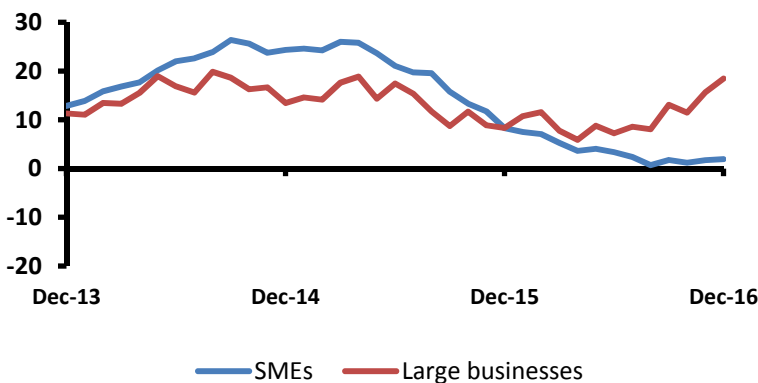
Asset finance new business provided through **leasing and hire purchase** by members of the Finance & Leasing Association fell in Q4 2016 by 1% compared with Q4 2015 to £7.6 billion, but grew by 5% in 2016 as a whole.

In 2016 overall, the strongest growth rates were reported by the business equipment finance and commercial vehicle finance sectors, with new business up by 16% and by 7% respectively. Over the same period, business car finance grew by 4%; growth in plant and machinery finance was flat; and IT equipment finance fell by 1%.

**M4 net lending to PNFCs, seasonally adjusted, 12 months % change**  
Source: Bank of England



**Gross lending to non-financial businesses by MFIs, not seasonally adjusted, 12 months % change**  
Source: Bank of England



**Net funds raised by PNFCs, loans and total time series seasonally adjusted**  
Source: Bank of England

