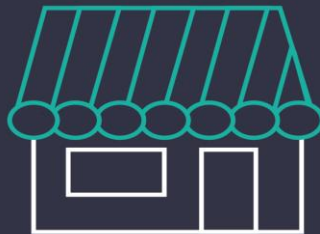


SME Finance Update



Release Date : 07 December 2018

SME Finance Update - Q3, 2018

SME loan approval rates remain consistently high

Key data highlights:

- There were 69,980 new loans and overdrafts approved for a value of £7.0bn in Q3 2018
- Banks approved eight out of ten applications for SME Finance
- Cash held in both immediate and notice accessible SME accounts continue to rise

Commenting on the data, [Mike Conroy, Director of Commercial Finance at UK Finance](#) said:

"Banks approved nearly 70,000 loans to SMEs in the third quarter of 2018 and success rates remain consistently high, with eight out of ten applications for finance being given the green light.

"Firms continue to build cash deposits and demand for finance remains subdued and steady across the UK's regions and sectors, suggesting businesses are exercising caution in the face of future uncertainty.

"However, some businesses are now increasing the use of their agreed overdraft facilities in order to manage current cash flow but not leveraging these to their full capacity.

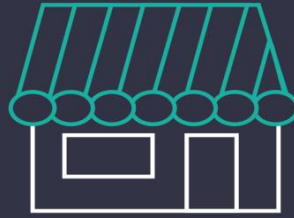
"The finance industry is well placed to help businesses with additional finance and working capital lines should demand for financial support increase in the coming months".

Notes to Editor

- 1 For more information please call the UK Finance press office on 020 7416 6750 or 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 This update relates to the business of mainstream SME financing banks in Great Britain and Northern Ireland, representing around 60 per cent of all debt finance for SMEs in the UK.
- 4 Small and Medium-sized enterprises are identified by banks notionally as those businesses with under £25million turnover, although other business metrics may determine reporting coverage such that data in this update reflects the SME sector.
- 5 Quarterly figures may not be directly comparable between years due to a re-segmentation of businesses.

Next update: 28 February 2019

SME Finance Update

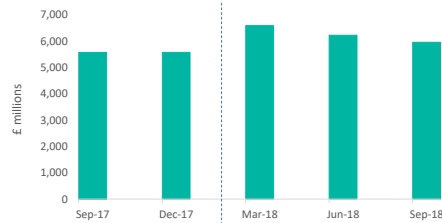


Release Date : 07 December 2018

Gross Lending

Total outstanding amounts of lending to SMEs through loans and overdrafts in the UK was **£101bn** at the end of Q3 2018.

Total of deposits held by SMEs in business current and deposit accounts in the UK was **£202bn** (£118bn in immediate access accounts and **£84bn** in time or notice accounts) at the end of Q3 2018



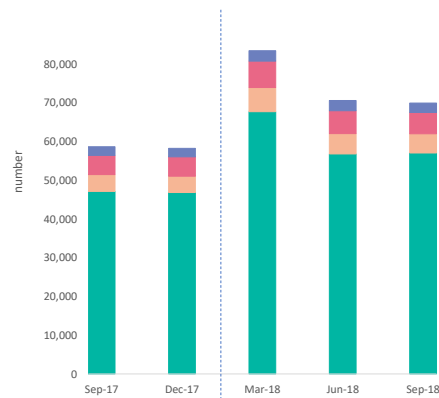
Taskforce banks' quarterly gross lending to SMEs in Great Britain (loans only)

Latest (Sep 18) Y-o-Y comparison

£6.0 bn n/a

Approvals (Regional)

Quarterly number of new loans approved for SMEs in the UK



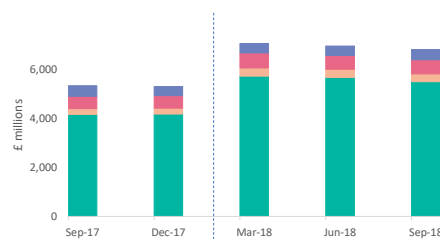
Northern Ireland 2,447 n/a

Scotland 5,515 n/a

Wales 4,944 n/a

England 57,069 n/a

Quarterly value of new loans approved for SMEs in the UK



Northern Ireland £414 mn n/a

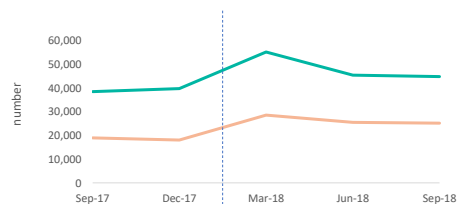
Scotland £581 mn n/a

Wales £318 mn n/a

England £5,506 mn n/a

Approvals (industry type)

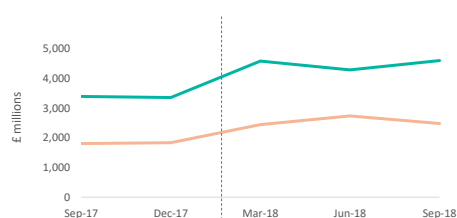
Quarterly number of new loans approved for SMEs in the UK



Service industries 44,772 n/a

Production & manufacturing industries 25,157 n/a

Quarterly value of new loans approved for SMEs in the UK



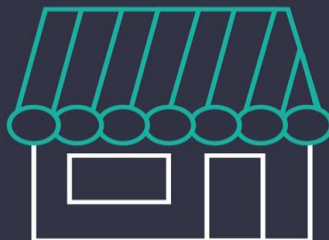
Service Industries £4.6 bn n/a

Production & manufacturing industries £2.5 bn n/a

Next update:

28 February 2019

SME Finance Update



Release Date : 07 December 2018

Gross lending

		Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Source
Great Britain	£mn	5,571	5,575	6,589	6,222	5,955	GB data

New loan & overdraft approvals across countries of the UK

		Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Source
England	Number	47,137	46,855	67,717	56,826	57,069	GB data
	£mn	4,172	4,185	5,734	5,682	5,506	GB data
Scotland	Number	4,986	4,975	6,840	5,879	5,515	GB data
	£mn	507	517	617	564	581	GB data
Wales	Number	4,342	4,229	6,257	5,262	4,944	GB data
	£mn	234	238	332	336	318	GB data
Northern Ireland	Number	2,235	2,219	2,652	2,658	2,447	NI data
	£mn	427	372	383	383	414	NI data

New loan & overdraft approvals within standard industrial categories (SIC) of the UK

		Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Source
Agriculture, Hunting & Forestry	Number	7,795	6,599	11,198	11,251	11,404	GB/NI data
	£mn	855	853	1,372	1,389	1,369	GB/NI data
Fishing	Number	182	207	214	254	164	GB/NI data
	£mn	24	31	16	48	19	GB/NI data
Mining & Quarrying	Number	76	76	77	93	67	GB/NI data
	£mn	53	28	9	11	33	GB/NI data
Manufacturing	Number	3,661	3,899	5,772	4,816	4,740	GB/NI data
	£mn	481	414	494	683	572	GB/NI data
Electricity, gas & water supply	Number	233	255	396	284	301	GB/NI data
	£mn	60	28	35	39	58	GB/NI data

Construction	Number	7,016	7,010	10,907	8,800	8,480	GB/NI data
	£mn	328	474	511	558	424	GB/NI data
Total production & manufacturing industries (total of SICs above)	Number	18,964	18,046	28,564	25,499	25,157	GB/NI data
	£mn	1,801	1,828	2,437	2,729	2,476	GB/NI data

New loan & overdraft approvals across standard industrial categories (SIC) of the UK

Wholesale and retail trade	Number	10,651	11,066	15,398	12,735	12,067	GB/NI data
	£mn	769	736	1,027	938	1,025	GB/NI data
Accommodation & food service activities	Number	3,826	4,508	6,335	4,781	4,379	GB/NI data
	£mn	463	590	618	526	523	GB/NI data
Transport, storage & communication	Number	4,033	4,019	5,630	4,786	5,008	GB/NI data
	£mn	198	200	326	256	273	GB/NI data
Real estate, professional services & support activities	Number	11,594	11,717	16,762	14,091	13,970	GB/NI data
	£mn	1,179	1,081	1,730	1,784	1,910	GB/NI data
Within SIC above, property-related companies buying, selling & renting own or leased real estate	Number	2,340	2,239	3,450	2,904	2,708	GB/NI data
	£mn	536	509	779	763	924	GB/NI data
Public administration & defence	Number	65	77	88	107	74	GB/NI data
	£mn	1	2	8	5	4	GB/NI data
Education	Number	1,166	1,030	1,165	1,028	1,250	GB/NI data
	£mn	125	88	86	104	125	GB/NI data
Human health & social work	Number	2,703	2,739	3,537	2,960	3,029	GB/NI data
	£mn	417	398	490	392	432	GB/NI data
Recreational, personal & community service activities	Number	4,418	4,610	6,250	4,936	4,995	GB/NI data
	£mn	230	250	282	271	296	GB/NI data
Total service industries (total of SICs above)	Number	38,455	39,767	55,164	45,423	44,772	GB/NI data
	£mn	3,382	3,346	4,568	4,276	4,587	GB/NI data

Deposits

Sight deposits	£mn	110,872	112,019	112,319	116,564	117,890	GB/NI data
Time deposits	£mn	67,890	65,767	78,523	84,075	83,803	GB/NI data

Technical notes

Series referred to as 'GB' data reflect the SME business of Barclays, Clydesdale/Yorkshire banks, The Co-operative Bank, Lloyds Banking Group, HSBC Bank, RBS Group and Santander UK.

Series referred to as 'NI' data reflect the SME business of Bank of Ireland, Danske Bank, First Trust and Ulster Bank, plus the SME business of Barclays, HSBC Bank, RBS and Santander UK banking groups for Northern Ireland customers.

Year on year percentage changes compare the latest quarter's figure with the same quarter in the previous year, adjusted to exclude the effects of population changes, write-offs and sales/purchases of loan books to reflect underlying business trends.

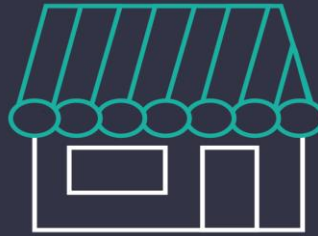
More detailed data tables (eg with distinctions between small-sized and medium-sized enterprises, loans and overdrafts, etc) are available from www.ukfinance.org.uk/statistics/

For information or media enquiries, please contact press@ukfinance.org.uk

Next update:

28 February 2019

SME Finance Update



Release Date : 07 December 2018

There are 5.7 million small and medium sized enterprises across the UK providing employment for 16.2 million people, generating annual turnover of £2.0bn within regions or sectors where all sizes of businesses contribute £1.7bn to economic output. The charts below show the distribution of SMEs across regions and within industrial sectors, together with comparable economic contributions.

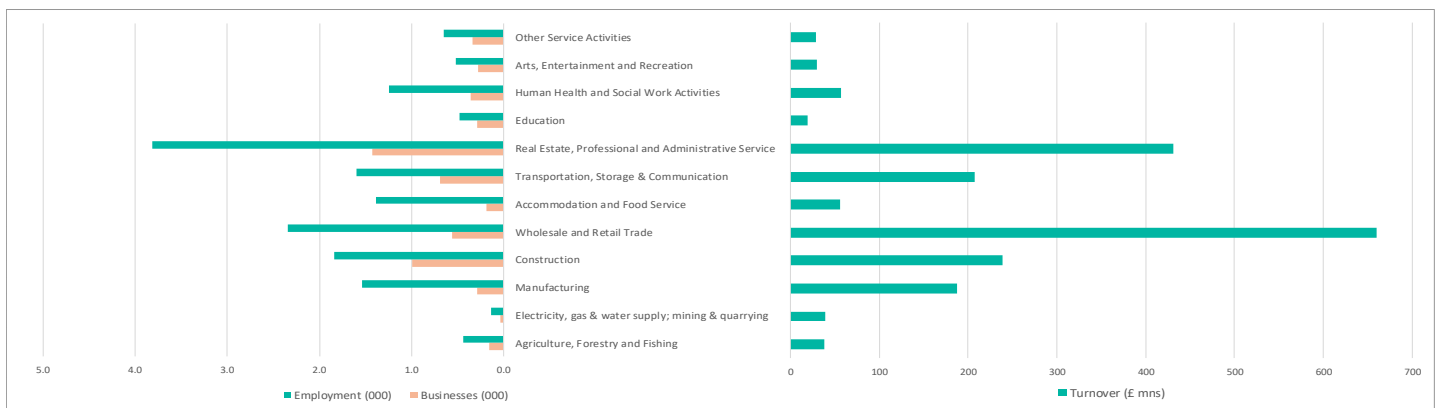
Regional profile of SMEs as at 2017



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Source: Department for BEIS, ONS

Industry sector profile of SMEs as at 2017



Source: Dept for BEIS

