

Household Finance Update



Release date : 24 August 2018

UK Finance: Household Finance Update for July 2018

Key data highlights:

- Gross mortgage lending for the total market in July was £24.6bn, some 7.6 per cent higher than a year earlier.
The number of mortgage approvals by the main high street banks in July fell by 0.8 per cent compared to the same month a year earlier. Within this, remortgaging approvals were 2.8 per cent higher than for the same period a year earlier. There was a fall in house purchase and other secured borrowing of 0.6 per cent and 11.7 per cent respectively.
- Credit card spending was 8.1 per cent higher than a year earlier, with outstanding levels on card borrowing growing by 5.3 per cent over the year. Outstanding overdraft borrowing was 4 per cent lower compared to the same time last year.
- Personal deposits grew by 1.2 per cent in the last 12 months. Deposits held in instant access accounts were 3.8 per cent higher than a year earlier.

Commenting on the data, [Peter Tyler, Director at UK Finance](#), said:

"July saw steady growth in gross mortgage lending, driven largely by remortgaging as homeowners locked into attractive deals in anticipation of the recent base rate rise.

"Card spending has also strengthened, reflecting increased expenditure during the holiday period and an uplift in retail sales due to the World Cup and warm weather.

"However the broader economic outlook remains mixed, with households continuing to see their incomes being squeezed by rising inflation. This may explain the shift towards deposits held in instant access accounts, as consumers opt to keep their money close to hand."

Notes to Editors

- 1 For more information please call the [UK Finance Press Office on 020 7416 6750](#) or e-mail press@ukfinance.org.uk.
- 2 UK Finance is the trade association formed on 1 July 2017 to represent the finance and banking industry operating in the UK. It represents around 250 firms in the UK providing credit, banking, markets and payment-related services. The organisation brings together most of the activities previously carried out by the Asset Based Finance Association, the British Bankers' Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and the UK Cards Association.
- 3 Data in this update reflect lending and deposit activity conducted by UK households with the main high street banks. This coverage reflects more than two-thirds of UK household finance provided by all banks and building societies.

Next update:

26 September 2018

Household Finance Update

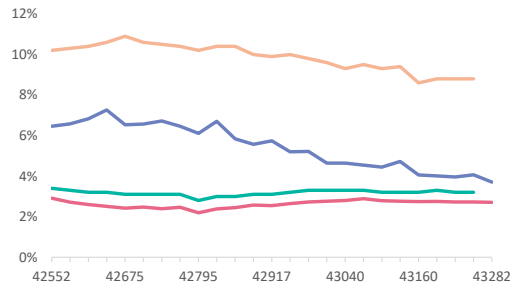


Release date : 24 August 2018

Household borrowing

Annual growth in amounts outstanding

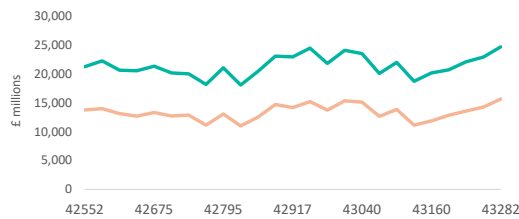
Rates reflect underlying 12-month trends, compiled on a comparable basis



Mortgages

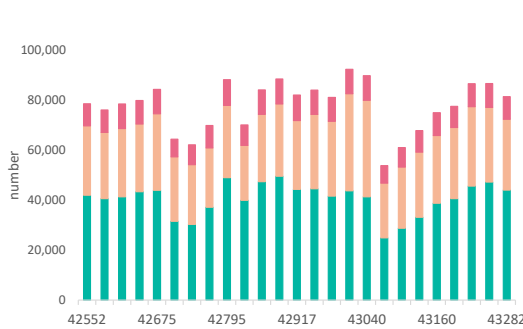
Gross mortgage lending

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



Mortgage approvals

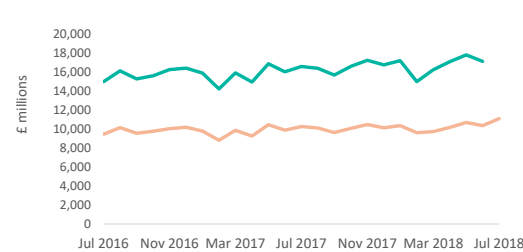
Number of new residential mortgage loans approved by high street banks for home purchase, remortgaging with a different lender or for other purposes, less cancellations. Approvals are a forward indicator of lending in future months



Consumer credit

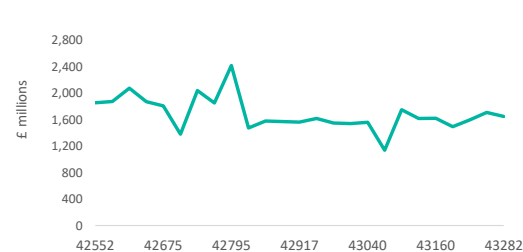
Credit card spending

Value of world-wide credit card transactions by UK cardholders using cards issued by UK banks, building societies or non-bank credit providers



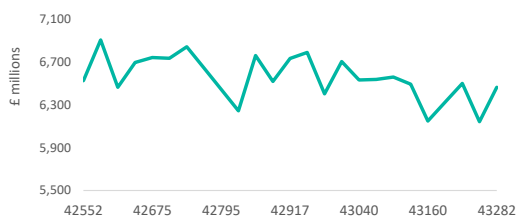
Gross personal loans

Value of new personal loans provided by high street banks



Overdrafts

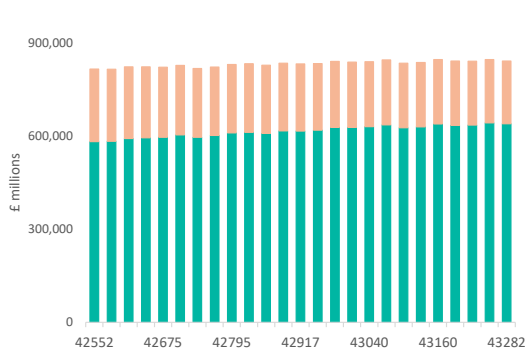
Sterling amounts outstanding on personal current account overdrafts with high street banks



High street banks
 Latest (July 2018) **£6.5 bn**
 Y-o-Y comparison **-4.0%**

Personal deposits & savings

total sterling deposits held in personal current and savings accounts



Latest (July 2018) **£841.9 bn**
 Y-o-Y comparison **1.2%**

Personal deposits

of which immediate access without penalty

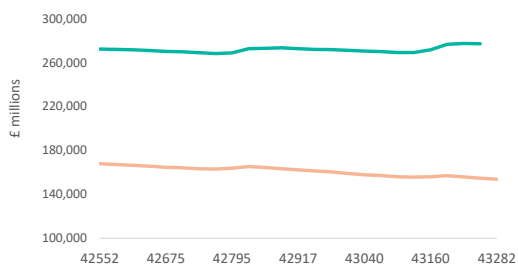
High street banks **£639.6 bn**
3.8%

of which requiring notice or available on maturity

£202.2 bn
-6.6%

ISAs

Cash deposits held in Individual Savings Accounts



Full market
 Latest (July 2018)
 High street banks **£153.8 bn**
 Y-o-Y comparison **-5.3%**

Next update:

26 September 2018

Household Finance Update



Release date : 24 August 2018

Mortgages

		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	
Gross mortgage lending (£mns)	Full market	22,872	24,392	21,749	24,019	23,424	20,013	21,930	18,639	20,105	20,638	22,033	22,845	24,600	BOE/est
	High street banks	14,114	15,142	13,672	15,287	15,076	12,593	13,815	11,110	11,833	12,784	13,529	14,215	15,599	HSB
Mortgage approvals	House purchase	44,240	44,474	41,529	43,706	41,289	24,840	28,739	33,110	38,710	40,564	45,549	47,175	43,967	HP
	Remortgaging	27,514	29,736	29,899	38,746	38,574	21,920	24,384	25,999	27,057	28,390	31,748	29,819	28,294	R
	Other loans	10,218	9,723	9,550	9,749	9,783	6,950	7,821	8,621	9,088	8,488	9,171	9,567	9,024	OL
Annual growth in mortgage amounts outstanding	Full market	3.1%	3.2%	3.3%	3.3%	3.3%	3.3%	3.2%	3.2%	3.2%	3.3%	3.2%	3.2%		BOE
	High street banks	2.6%	2.6%	2.7%	2.8%	2.8%	2.9%	2.8%	2.8%	2.7%	2.8%	2.7%	2.7%	2.7%	Growth

Consumer credit

		Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	
Annual growth in consumer credit	Full market	9.9%	10.0%	9.8%	9.6%	9.3%	9.5%	9.3%	9.4%	8.6%	8.8%	8.8%	8.8%		BOE
	High street banks	5.7%	5.2%	5.2%	4.6%	4.6%	4.5%	4.4%	4.7%	4.1%	4.0%	4.0%	4.1%	3.7%	Growth
Credit card spending (£mns)	Full market	16,610	16,409	15,690	16,623	17,263	16,768	17,226	15,001	16,256	17,104	17,830	17,137		BOE
	High street banks	10,277	10,118	9,650	10,088	10,483	10,145	10,370	9,615	9,746	10,182	10,698	10,369	11,108	HSB
Annual growth in credit card credit amounts outstanding	Full market	8.9%	8.9%	9.2%	8.6%	8.9%	9.0%	9.4%	9.6%	8.9%	8.9%	9.4%	9.5%		BOE
	High street banks	5.3%	5.0%	5.5%	5.0%	5.3%	5.4%	6.0%	6.3%	5.7%	5.2%	5.7%	5.6%	5.3%	Growth
Gross personal loans (£mns)	High street banks	1,559	1,616	1,548	1,540	1,557	1,136	1,748	1,614	1,619	1,492	1,595	1,706	1,647	HSB
		-160	-140	-119	-184	-227	-440	78	-24	-215	-219	-196	73	-140	Net
Overdrafts (£mns)	High street banks	6,734	6,791	6,404	6,705	6,534	6,538	6,560	6,493	6,150	6,326	6,500	6,143	6,464	O/S
		220	63	-382	307	-166	8	50	-64	-341	180	176	-356	320	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	High street banks	46,828	46,717	46,001	46,087	45,654	45,191	45,146	45,043	44,469	44,405	44,373	44,084	44,270	O/S
	High street banks	60	-77	-501	123	-393	-431	128	-89	-556	-39	-20	-283	180	Net
Annual growth in loan & overdraft amounts outstanding (£mns)	Full market	10.4%	10.5%	10.2%	10.1%	9.5%	9.8%	9.3%	9.3%	8.5%	8.8%	8.5%	8.5%		BOE
	High street banks	6.2%	5.4%	5.0%	4.3%	4.0%	3.8%	3.0%	3.2%	2.5%	2.8%	2.3%	2.6%	2.2%	Growth

Personal deposits & savings

	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	
Personal deposits (£mns)	832,835	833,986	840,906	838,517	839,689	845,361	834,926	837,310	846,916	842,294	841,589	846,781	841,857	O/S
of which instant access	616,299	619,465	628,117	628,023	630,470	636,103	626,584	629,736	639,415	634,615	635,692	642,478	639,644	O/S
of which notice or time	216,536	214,522	212,789	210,494	209,220	209,258	208,342	207,574	207,501	207,679	205,897	204,303	202,214	O/S
	2.3%	2.2%	2.0%	1.9%	2.1%	2.0%	2.2%	1.9%	1.8%	1.4%	1.6%	1.3%	1.2%	Growth
ISAs (included above) (£mns)														
Full market	272,697	272,005	271,864	271,156	270,465	269,991	269,097	269,072	271,687	276,657	277,409	277,112		BOE
High street banks	162,387	161,352	160,464	158,981	157,779	157,110	156,026	155,749	156,071	157,055	155,876	154,632	153,767	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

Next update: 26 September 2018