

Statistics Release

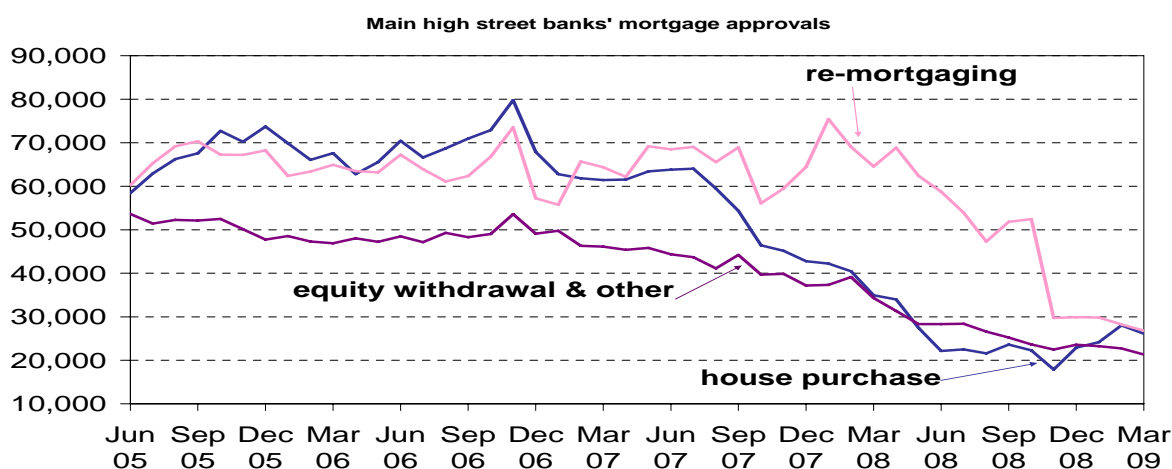
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March figures for the main high street banks

All measures of the banks' mortgage lending in March were marginally weaker than in February. Overall consumer credit was little changed and personal deposits remained weak. Lending to non-financial companies fell by about £1.0 billion, largely reflecting the unwinding of takeover finance.

<i>seasonally adjusted data</i>	mortgage lending	consumer credit	personal deposits
March net change	+ £ 3.7 bn	+ £ 0.1 bn	+ £ 0.6 bn
<i>(previous month)</i>	<i>+ £ 3.9 bn</i>	<i>- £ 0.1 bn</i>	<i>+ £ 0.4 bn</i>
average of previous six months	+ £ 3.5 bn	£ 0.0 bn	+ £ 1.2 bn
annual growth	+ 9.6 %	+ 1.1 %	+ 2.7 %
amounts outstanding nsa	£ 503.8 bn	£ 95.5 bn	£ 571.3 bn



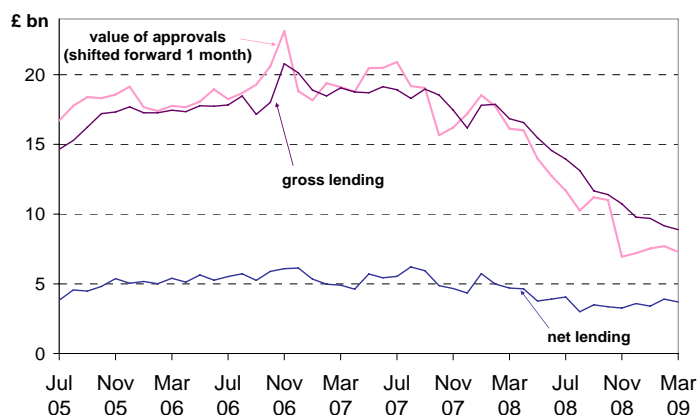
BBA statistics director, David Dooks, said of the latest data:

"Lending to households continues to grow, as banks make funds available for people who meet their lending criteria but consumer confidence is fragile and unlikely to change demand markedly in the near-term. The banks' figures also show it would be unrealistic to expect the mortgage market to recover in a steady and consistent way in the current economic environment."

"Company demand for increased bank finance is subdued, as large corporates seek alternative funding sources and small businesses operate out of cash-flow during this recession."

Section 1: Mortgage lending & value of mortgages approved

<i>seasonally adjusted data</i>	gross mortgage lending	all mortgage loans approved	house purchase loans approved
March	£ 8.9 bn	£ 7.3 bn	£ 3.3 bn
(<i>previous month</i>)	£ 9.2 bn	£ 7.7 bn	£ 3.5 bn
average of previous six months	£ 10.4 bn	£ 8.6 bn	£ 2.9 bn
compared with a year earlier	- 47.2 %	- 54.8 %	- 39.3 %



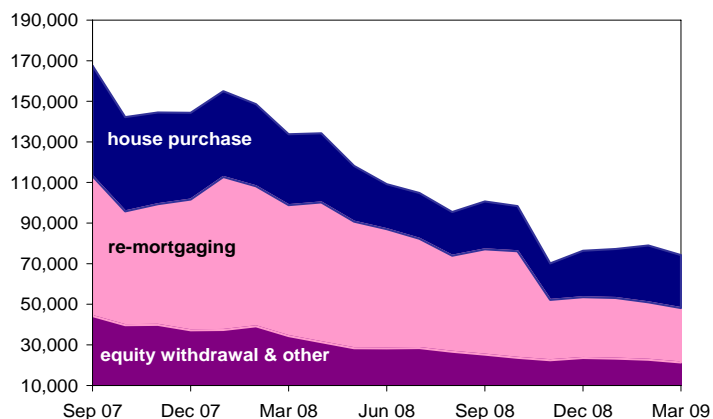
The annual growth rate for net mortgage lending continued to decline.

Gross mortgage lending, at £8.9bn, was at its lowest since April 2001.

March's approval activity, both in volume and value, was marginally lower than in February and remains at a historically subdued level.

Section 2: Number of mortgages approved

<i>seasonally adjusted data</i>	house purchase	re-mortgaging	equity withdrawal & other purposes
March	26,097	26,831	21,336
(<i>previous month</i>)	28,024	28,237	22,727
average of previous six months	23,152	36,998	23,485
compared with a year earlier	- 25.3 %	- 58.4 %	- 37.9 %
average value nsa	£128,600	£123,500	£28,400
annual change in average value (nsa)	- 18.6 %	- 15.4 %	- 3.0 %



Approvals for house purchase fell slightly in March and were some 25% lower than in March 2008.

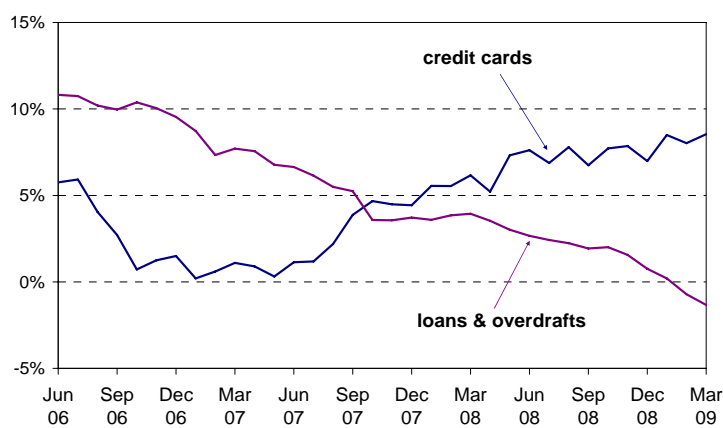
Re-mortgaging approvals declined slightly as borrowers continued to revert to standard variable rates rather than moving to new fixed rate products.

The average value of loans for equity withdrawal and other purposes has changed remarkably little over the last two years. In March 2007, before the credit crunch, the average was £28,700.

Section 3: Consumer credit - credit cards

<i>seasonally adjusted data</i>	new spending	repayments	net lending	number of purchases
March	£ 6.1 bn	£ 6.1 bn	+ £ 0.3 bn	93.0 mn
(previous month)	£ 6.0 bn	£ 6.2 bn	+ £ 0.1 bn	92.4 mn
average of previous six months*	£ 6.2 bn	£ 6.4 bn	+ £ 0.1 bn	93.1 mn
compared with a year earlier*	- 9.3 %	- 11.2 %		+ 1.6 %
annual growth			+ 8.5 %	
amounts outstanding nsa			£ 24.9bn	

* Previous months' data have been estimated for comparative purposes, to reflect a change in coverage from January.



Credit card lending rose by £0.3bn and the annual growth rate rose to 8.5%.

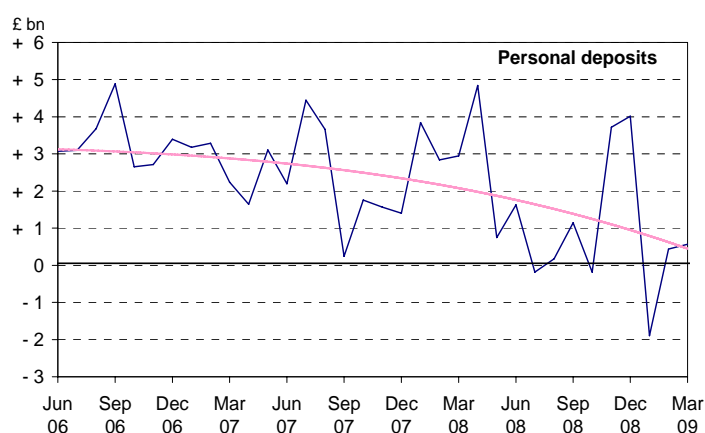
Annual growth in personal loans & overdrafts has continued to be negative (ie reflecting a net contraction in amounts outstanding over the last year).

n.b. Consumer credit allows for the effects of write-offs, in line with Bank of England data.

Section 4: Consumer credit - personal loans and overdrafts

<i>seasonally adjusted data</i>	new loans	overdrafts nsa	net lending
March	£ 1.5 bn	+ £ 0.5 bn	- £ 0.2 bn
(previous month)	£ 1.5 bn	- £ 0.3 bn	- £ 0.2 bn
average of previous six months	£ 1.8 bn	-	- £ 0.1 bn
compared with a year earlier	- 43.6 %		
annual growth			- 1.3 %
amounts outstanding nsa	£ 60.7 bn	£ 9.9 bn	£ 70.6 bn

Section 5: Personal deposits & savings



After falling in January personal deposits rose slightly in February and March. However overall personal deposits continue to be weak with an annual rate of growth of 2.7%.

Section 6: Company finance

<i>seasonally adjusted data</i>	March net change	<i>previous month</i>	average of previous six months	amounts outstanding
Non-financial companies	- £ 1.0 bn	+ £ 1.1 bn	-	£ 349 bn
of which Manufacturing	- £ 0.1 bn	- £ 0.4 bn	- £ 0.1 bn	£ 20 bn
Construction	-	- £ 0.3 bn	-	£ 22 bn
Wholesale & retail trade	- £ 0.8 bn	+ £ 1.3 bn	+ £ 0.3 bn	£ 31 bn
Hotels & restaurants	+ £ 0.1 bn	-	+ £ 0.1 bn	£ 23 bn
Transport, storage & comms.	+ £ 0.3 bn	- £ 0.2 bn	- £ 0.1 bn	£ 11 bn
Real estate	- £ 0.2 bn	+ £ 0.5 bn	+ £ 0.9 bn	£ 149 bn
Renting machinery & equip.	-	- £ 0.2 bn	- £ 0.1 bn	£ 6 bn
Electricity, gas & water	+ £ 0.3 bn	- £ 0.5 bn	- £ 0.2 bn	£ 5 bn
Financial companies	- £ 0.5 bn	+ £ 26.0 bn	+ £ 16.8 bn	£ 522 bn
of which Financial intermediation	+ £ 20.8 bn	+ £ 6.2 bn	+ £ 8.4 bn	£ 411 bn
Financial auxiliaries	- £ 22.2 bn	+ £ 19.9 bn	+ £ 8.5 bn	£ 97 bn
Insurance & pension funds	+ £ 0.8 bn	- £ 0.2 bn	- £ 0.1 bn	£ 15 bn
Total company finance	- £ 1.5 bn	+ £ 27.1 bn	+ £ 16.8 bn	£ 871 bn

Lending to non-financial companies fell by £1.0bn mainly reflecting the unwinding of takeover finance in the wholesale & retail trade sector (-£0.8bn). The fall in lending to real estate of £0.2bn was the first fall since December 2006.

A large increase in lending to central clearing counterparties in February was largely unwound in March and reflected in lending to financial auxiliaries.

Notes to Editors

1. *The BBA is the leading UK banking and financial services trade association and represents its members, from 60 countries, on domestic and international issues. Our members provide the full range of banking and financial services, operate some 150 million personal accounts, contribute £50bn to the economy and together make up the world's largest international banking centre.*
2. *The Major British Banking Groups (MBBG) account for some two-thirds of all UK mortgage lending outstanding, provide over half of all consumer credit and, within that, some 70% of all card credit. They include the eight largest retail lenders in the UK: Abbey, Alliance & Leicester, Barclays, Bradford & Bingley, HSBC Bank, Lloyds Banking Group, Northern Rock and Royal Bank of Scotland.*
3. *Net changes in amounts outstanding are consistent with Table A4.3 of the Bank of England's Monetary & Financial Statistics and the comprehensive data for lending to individuals by all lenders due to be released by the Bank of England on 1 May 2009.*

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