

Statistics Release

Embargoed to 00:01 hrs, 9 June 2009

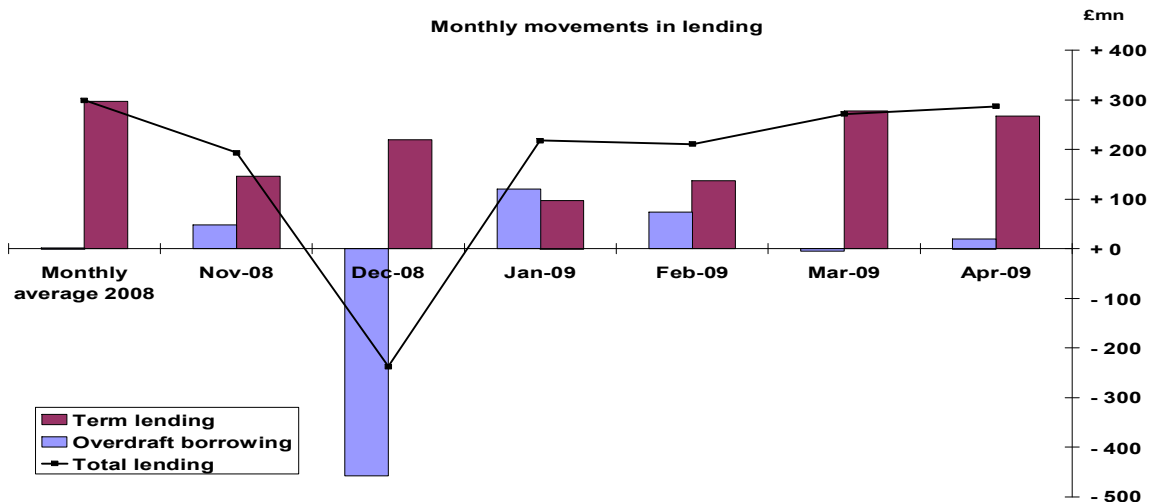
Serial no. 024/09

April '09 small business figures for the high street banks

Lending to small businesses by the high street banks rose by £287 million in April and there were over 48,000 new small businesses banking relationships established. Deposits from small businesses rose by £119 million.

Commenting on the data, BBA statistics director, David Dooks, said:

“The high street banks’ support for the small business sector continues to rise. The net increase of £287m in April’s lending was consistent with the trend in recent months and the number of new banking relationships shows that the start-up rate is holding up, despite the economic environment. Business liquidity improved as deposits saw another monthly rise, above the increase in overdraft balances”



	Term lending £m	Overdrafts £m	Deposits £m	No. of small businesses establishing new banking relationships
April 2009 amounts outstanding	46,205	8,935	53,483	
Monthly movements				
April 2009	+ 267	+ 20	+ 119	48,397
March 2009	+ 277	- 6	+ 881	52,857
February 2009	+ 137	+ 74	+ 66	44,642
January 2009	+ 98	+ 120	- 1,513	45,693
December 2008	+ 220	- 457	+ 251	35,645
November 2008	+ 146	+ 48	- 181	43,967
Monthly average through 2008	+ 297	+ 2	- 21	43,773

N.B. Figures above are NOT seasonally adjusted, so monthly movements can be volatile due to factors occurring at different times throughout the year, eg CAP single farm payment receipts or tax payments, etc.

Notes to Editors:

1. *The Bank of England Regional Agents' summary of business conditions, though not specific to small businesses, is an appropriate economic assessment for reference. It shows that demand for consumer services continue to shrink, retail sales values are similar to a year earlier, investment intentions are reduced, with tighter financing conditions being a factor in those decisions, manufacturing output for domestic sales has fallen, construction and business service activities have contracted, export orders have slowed and employment intentions have been scaled back.*
2. *Although clubs, charities and societies operate small business accounts with banks, their activities are not commercial in nature and are therefore not covered by these data.*
3. *Small businesses are defined here as those commercial businesses with an annual bank account turnover of £1 million or less.*
4. *Individual banks contributing to this survey are Abbey (inc Alliance & Leicester), Barclays, Clydesdale (inc Yorkshire Bank), HSBC, Lloyds Banking Group (inc HBOS), Royal Bank of Scotland (inc NatWest) and The Co-operative Bank.*
5. *The statistics section of the BBA website (www.bba.org.uk) provides information on bank support for small businesses, whilst the Policy Issues section contains a Small Business area, dedicated to providing practical help and advice for small businesses, including a business account finder.*
6. *The BBA is the leading UK banking and financial services trade association and acts on behalf of its members on domestic and international issues. Our members, from 50 different countries, collectively provide the full range of banking and financial services. They operate some 150 million personal accounts, contribute £50bn to the economy, and together make up the world's largest international banking centre.*

For further information, please contact:

Brian Capon, assistant director, media (020 7216 8810, brian.capon@bba.org.uk)

David Dooks, statistics director (020 7216 8837, david.dooks@bba.org.uk)