

## Statistics Release

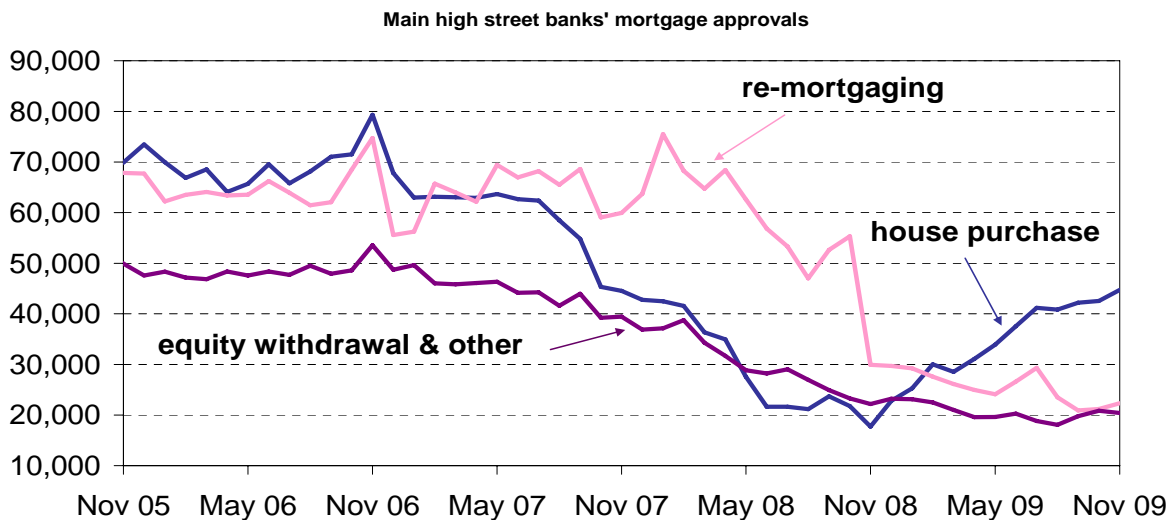
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Serial no. 059/09

### November figures for the main high street banks

While mortgage lending continued to hold-up in November unsecured loans to consumers dropped further while personal deposits increased by less than in recent months. Loans to the corporate sector declined overall in November, though those to non-financial companies ticked up slightly.

<i>seasonally adjusted data</i>	mortgage lending	consumer credit	personal deposits
<b>November net change</b>	<b>+ £ 3.3 bn</b>	<b>- £ 0.3 bn</b>	<b>+ £ 1.4 bn</b>
<i>( previous month )</i>	+ £ 3.2 bn	- £ 0.2 bn	+ £ 3.0 bn
average of previous six months	+ £ 2.7 bn	- £ 0.2 bn	+ £ 2.6 bn
annual growth	+ 4.7 %	- 2.2 %	+ 3.9 %
amounts outstanding nsa	£ 620.4 bn	£ 93.1 bn	£ 591.2 bn



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

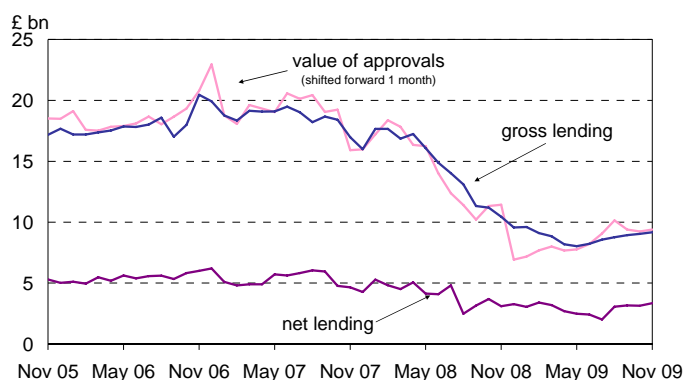
*"Household priorities are showing up in the November figures. Demand for new personal loans was weak and people are paying off debt or building savings in response to economic circumstances."*

*"In the housing sector, prices have continued to edge up and approvals for house purchase are now back at a similar level to that of two years ago. Re-mortgaging activity continues to run at a low level as borrowers revert to low standard variable rates or trackers from maturing fixed rate loans."*

*"Lending to non-financial companies ticked up slightly in November, having declined in each of the previous two months."*

## Section 1: Mortgage lending & value of mortgages approved

<i>seasonally adjusted data</i>	gross mortgage lending	all mortgage loans approved	house purchase loans approved
<b>November</b>	<b>£ 9.2 bn</b>	<b>£ 9.9 bn</b>	<b>£ 6.6 bn</b>
( <i>previous month</i> )	£ 9.0 bn	£ 9.4 bn	£ 6.1 bn
average of previous six months	£ 8.6 bn	£ 9.2 bn	£ 5.5 bn
compared with a year earlier	- 12.2 %	+ 43.6 %	+ 208.7 %



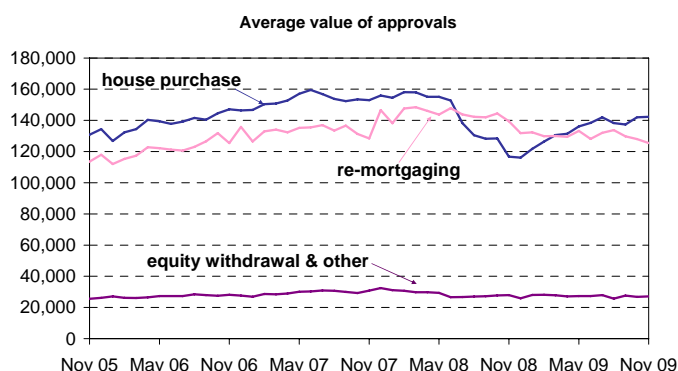
Gross mortgage lending in November, though some 12% lower than a year ago was slightly higher than last month.

In the absence of remortgaging activity, gross lending is unlikely to grow from its current level.

The banks' annual growth rate of 4.7% in mortgage lending substantially exceeds growth of just 0.8% for October across the market as a whole.

## Section 2: Number of mortgages approved

<i>seasonally adjusted data</i>	house purchase	re-mortgaging	equity withdrawal & other purposes
<b>November</b>	<b>44,713</b>	<b>22,360</b>	<b>20,380</b>
( <i>previous month</i> )	42,552	21,195	20,849
average of previous six months	39,714	24,264	19,567
compared with a year earlier	+ 152.3%	-- 25.3 %	-- 8.1 %
compared with 2 years earlier	+ 0.4 %	-- 62.7 %	-- 48.3 %
average value nsa	£142,200	£132,400	£27,000
annual change in average value (nsa)	+ 21.8 %	-- 9.6 %	-- 2.7%



Comparisons with the low point of a year earlier reflect the weakness of the market then, rather than indicating a much stronger market now but the number of house purchase approvals has risen gradually throughout most of 2009 and is now slightly higher than two years ago.

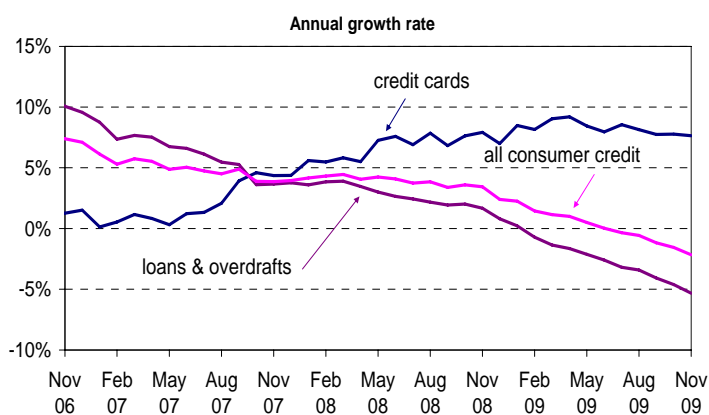
Remortgaging approvals are two-thirds lower than two years ago.

Numbers of approvals for equity withdrawal are about half of the level seen in 2007.

### Section 3: Consumer credit - credit cards

<i>seasonally adjusted data</i>	new spending	repayments	net lending	number of purchases
<b>November</b>	<b>£ 5.8 bn</b>	<b>£ 5.9 bn</b>	<b>+ £ 0.2 bn</b>	<b>91.4 mn</b>
<i>( previous month )</i>	<i>£ 5.7 bn</i>	<i>£ 6.0 bn</i>	<i>+ £ 0.2 bn</i>	<i>92.2 mn</i>
average of previous six months	£ 5.7 bn	£ 6.0 bn	+ £ 0.2 bn	90.9 mn
compared with a year earlier*	- 5.5 %	- 6.6 %		- 2.7 %
annual growth			+ 7.6 %	
amounts outstanding nsa			£ 25.0 bn	

\* Coverage changed in January, but figures shown are comparable with current basis.



New spending and repayments on credit cards were both down on last year and the annual growth in lending balances at nearly 7.5% has weakened in the last few months.

Demand for personal loans was particularly weak and balances have fallen by £3.6bn over the year to date.

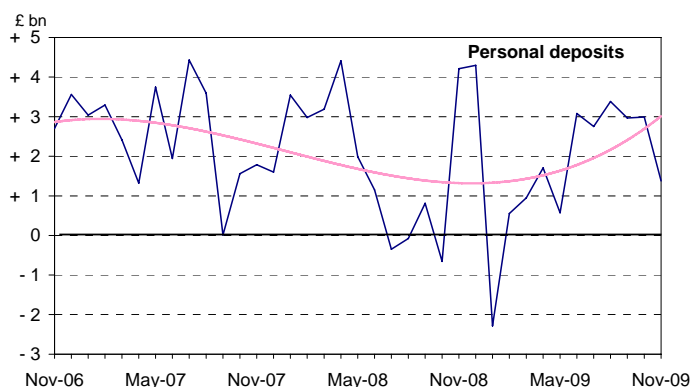
Total consumer credit has contracted by 2.2% over the last year.

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

### Section 4: Consumer credit - personal loans and overdrafts

<i>seasonally adjusted data</i>	new loans	overdrafts nsa	net lending
<b>November</b>	<b>£ 1.1 bn</b>	<b>-</b>	<b>- £ 0.5 bn</b>
<i>( previous month )</i>	<i>£ 1.2 bn</i>	<i>- £ 0.3 bn</i>	<i>- £ 0.4 bn</i>
average of previous six months	£ 1.3 bn	-	- £ 0.3 bn
compared with a year earlier	- 43.7 %		
annual growth			- 5.3 %
amounts outstanding nsa	£ 58.3 bn	£ 9.8 bn	£ 68.1 bn

## Section 5: Personal deposits & savings



So far this year personal deposits have increased by over £18bn compared with £21bn in the same period of 2008, though growth in deposits dipped slightly in November.

## Section 6: Company finance

<i>seasonally adjusted data</i>	<b>November net change</b>	<i>previous month</i>	average of previous six months	amounts outstanding
<b>Non-financial companies</b>	<b>+ £ 0.2 bn</b>	- £ 0.8 bn	- £ 1.4 bn	£ 341 bn
of which Manufacturing	- £ 0.1 bn	- £ 0.2 bn	- £ 0.2 bn	£ 18 bn
Construction	- £ 0.4 bn	- £ 0.2 bn	- £ 0.3 bn	£ 19 bn
Wholesale & retail trade	- £ 0.1 bn	- £ 0.1 bn	- £ 0.2 bn	£ 28 bn
Real estate, renting & other business services	<b>+ £ 0.5 bn</b>	- £ 1.1 bn	- £ 0.5 bn	£ 185 bn
Hotels & restaurants	- £ 0.1 bn	- £ 0.2 bn	-	£ 23 bn
Public admin & defence	-	+ £ 0.1 bn	-	£ 6 bn
Transport, storage & communications	<b>+ £ 0.5 bn</b>	+ £ 0.5 bn	-	£ 11 bn
<b>Financial companies</b>	<b>- £ 10.4 bn</b>	+ £ 8.9 bn	+ £ 2.1 bn	£ 440 bn
of which Financial intermediation	- £ 7.9 bn	+ £ 6.0 bn	+ £ 1.3 bn	£ 339 bn
Financial auxiliaries	- £ 7.4 bn	+ £ 3.0 bn	+ £ 0.7 bn	£ 83 bn
Insurance & pension funds	<b>+ £ 5.0 bn</b>	- £ 0.1 bn	+ £ 0.1 bn	£ 18 bn
<b>Total company finance</b>	<b>- £ 10.1 bn</b>	+ £ 8.0 bn	- £ 0.6 bn	£ 781 bn

Lending to non-financial companies overall increased slightly in November, though in the six months to October, lending to all non-financial companies contracted on average by £1.4bn a month. The main areas of growth were in real estate & business services and in transport, storage & communications.

Lending to financial companies fell in November, more than reversing October's rise and on average over the previous six months, lending has risen by £2.1bn a month.

### Notes to Editors

1. *The BBA is the leading UK banking and financial services trade association and represents its members, from 50 countries, on domestic and international issues. Our members provide the full range of banking and financial services, operating some 150 million accounts in the UK and making up the world's largest international banking centre.*
2. *The main high street banking groups (MBBG) account for some two-thirds of all UK mortgage lending outstanding, provide around half of all consumer credit and, within that, some 60% of all new card credit. They include the seven largest retail lending groups in the UK: Abbey (inc Alliance & Leicester and Bradford & Bingley deposits), Barclays, Bradford & Bingley lending, HSBC Bank, Lloyds Banking Group, Northern Rock and Royal Bank of Scotland.*
3. *Following a change in the reporting of covered bonds from April 2009, the mortgage assets held within such special purpose vehicles, are included in their parent banks' reported mortgage lending. These movements have been adjusted out of flows.*
4. *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 4 January 2010.*

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