



Statistics

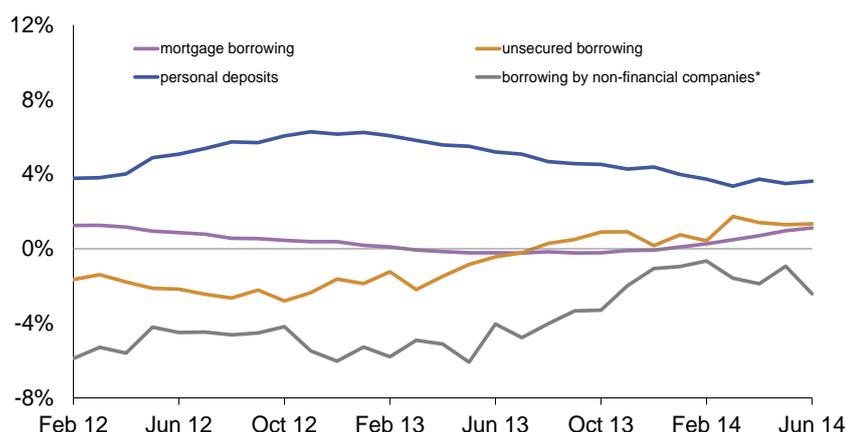
High Street Banking - June 2014

embargoed until 9.30am on Wednesday, 23 July 2014

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- Mortgage approval volumes recovered slightly in June following the introduction of the new mortgage rules which had a limited impact on application processes as the rules were bedding in.
- Net borrowing on personal loans and overdrafts is now expanding, instead of card borrowing, reflecting improving consumer confidence.
- Improved lending growth is appearing in manufacturing, wholesale and retail sectors.

annual growth rates



Personal deposits are growing by 3.6% annually, although there has been a lower take-up of ISAs this year, with £4.8 billion being deposited with high street banks during March to June compared with £9.0 billion in the same months of 2013.

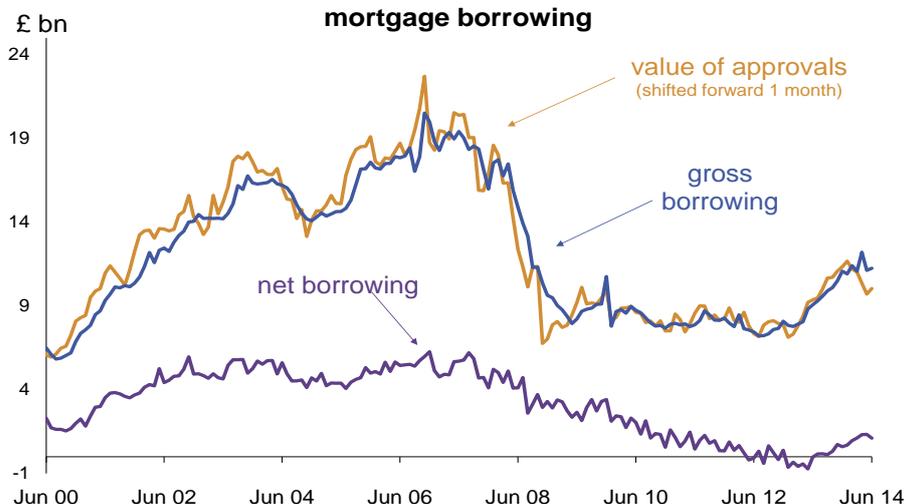
Unsecured borrowing has grown by 1.3% over the past year. Within this, card borrowing has slowed to 1.8%, while borrowing on personal loans and overdrafts had accelerated to 0.9%.

**excluding real estate*

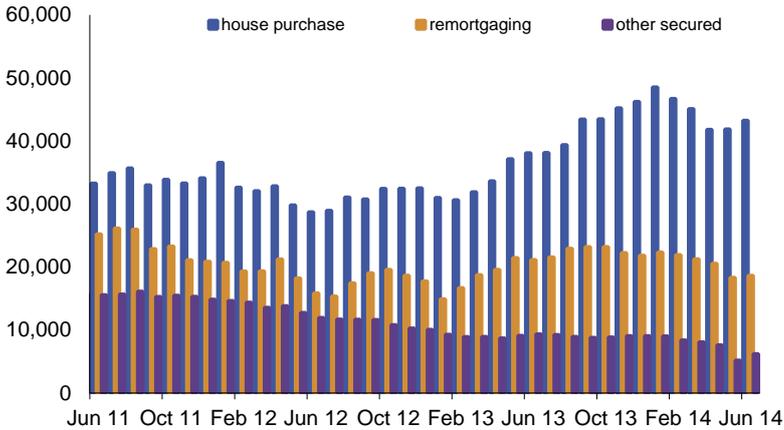
Gross mortgage borrowing of £11.2 billion was 24% higher than in June last year.

Since the turn of the year, the overall mortgage stock has started to rise, as stronger demand feeds through and is 1.1% higher than a year earlier. This contrasts with much of 2013 when new monthly borrowing was more than offset by elevated capital repayment (in part reflecting homeowners switching lenders).

mortgage borrowing



number of approvals



Having declined during the early months of 2014, approval volumes turned up in June, in the aftermath of the implementation of the Mortgage Market Review, which might have slowed down processing of applications in the earlier part of the year.

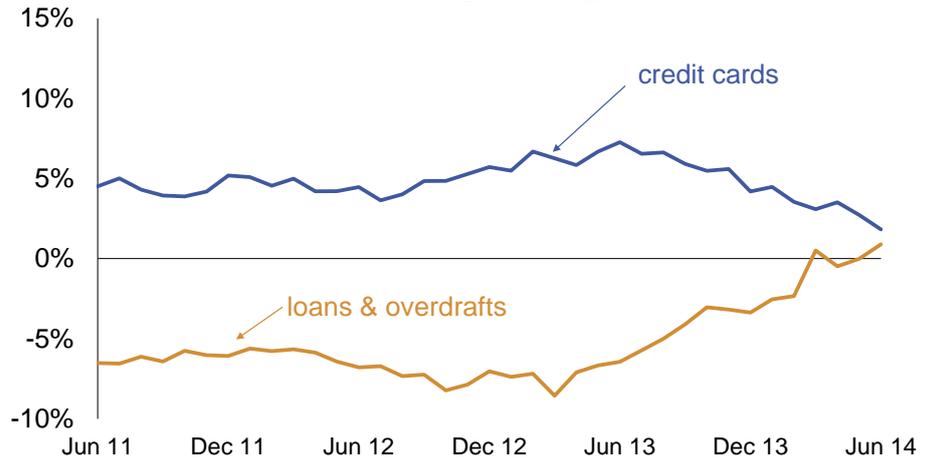
Compared to the same time a year earlier, approvals in June 2014 were:

House purchase	+ 14%
Remortgaging	- 12%
Other	- 34%

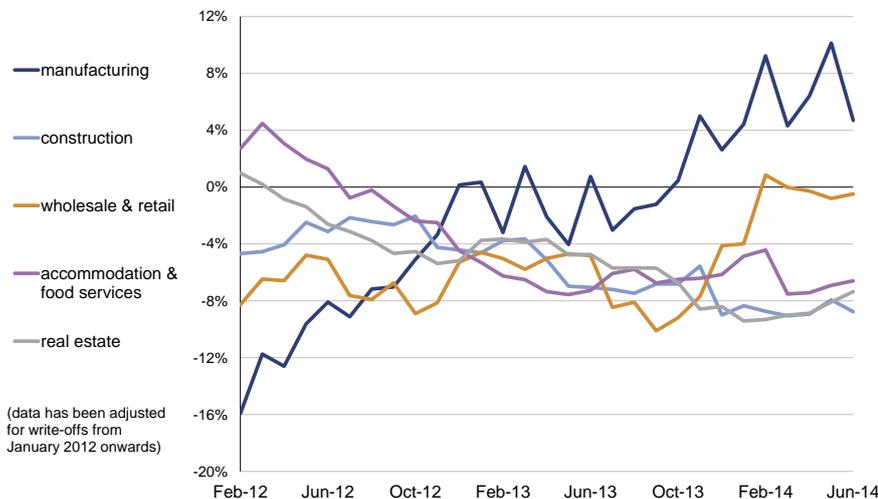
unsecured borrowing annual growth rates

Spending of £8.2 billion on credit cards was some 2.6% more than in June a year earlier. With repayments consistently exceeding spending, however, growth has continued to moderate.

Higher loan demand continues to reflect rising consumer confidence and an improving economy. Net borrowing on personal loans and overdrafts is now showing annual growth after contracting for a long period.



business borrowing annual growth rates



Borrowing by non-financial companies declined in the year to June by £12.7 billion but much of this was within the real estate sector, where companies have been deleveraging their bank borrowing.

With real estate extracted from the annual growth rate for the real economy, that rate has improved from -4.0% in June last year to -2.4% now, with positive and sustained growth seen in the manufacturing sector, and an improvement in wholesale and retail sectors

All figures are seasonally adjusted unless otherwise specified as (nsa)	June 2014	May 2014	average of six months prior to June 2014	amounts outstanding (nsa)
Mortgages (secured)				
net mortgage borrowing	+ £ 1.1 bn	+ £ 1.3 bn	+ £ 1.0 bn	£ 787.9 bn
gross mortgage borrowing	£ 11.2 bn	£ 11.1 bn	£ 11.3 bn	
repayment of capital	£ 10.2 bn	£ 9.5 bn	£ 10.1 bn	
value of mortgage approvals	£ 10.0 bn	£ 9.7 bn	£ 10.9 bn	
house purchase	£ 6.9 bn	£ 6.7 bn	£ 7.3 bn	
re-mortgage	£ 2.8 bn	£ 2.8 bn	£ 3.2 bn	
other secured borrowing	£ 0.4 bn	£ 0.2 bn	£ 0.4 bn	
number of mortgage approvals	68,121	65,394	73,996	
house purchase	43,265	41,881	45,057	
re-mortgage	18,645	18,325	21,041	
other secured borrowing	6,211	5,188	7,898	
average approval value (nsa)				
house purchase	£ 163,800	£ 163,500	£ 161,000	
re-mortgage	£ 152,800	£ 156,500	£ 153,000	
other secured borrowing	£ 56,900	£ 49,300	£ 45,000	
Consumer credit				
net consumer credit borrowing	+ £ 0.2 bn	+ £ 0.1 bn	+ £ 0.1 bn	£ 78.8 bn
credit cards				
net credit card borrowing	+ £ 0.0 bn	+ £ 0.1 bn	+ £ 0.0 bn	£ 38.0 bn
new spending	£ 8.2 bn	£ 8.4 bn	£ 8.2 bn	
repayments	£ 8.4 bn	£ 8.7 bn	£ 8.3 bn	
number of purchases	129.0 mn	130.1 mn	127.1 mn	
loans & overdrafts				
net loans & overdraft borrowing	+ £ 0.1 bn	+ £ 0.0 bn	+ £ 0.0 bn	£ 40.9 bn
new loans	£ 1.6 bn	£ 1.6 bn	£ 1.5 bn	£ 33.6 bn
net overdraft borrowing (nsa)	+ £ 0.2 bn	- £ 0.2 bn	- £ 0.0 bn	£ 7.3 bn
Personal deposit & savings				
personal deposit net change	+ £ 2.4 bn	+ £ 2.5 bn	+ £ 2.0 bn	£ 751.3 bn
Net borrowing by businesses (nsa)				
by non-financial businesses	- £ 2.1 bn	- £ 0.1 bn	- £ 1.1 bn	£ 273.0 bn
by financial businesses	+ £ 1.8 bn	- £ 4.4 bn	- £ 11.9 bn	£ 269.2 bn

Notes to editors

1. Figures included in this release relate to the UK activity of 21 institutions across the banking groups of Barclays, HSBC Bank, Lloyds Banking Group, Royal Bank of Scotland Group, Santander UK and Virgin Money.
2. Following a change in statistical reporting in January 2010, securitised loan assets held within special purpose vehicles became included in their parent banks' reported lending. The impact of this change was adjusted out of earlier flows.
3. The BBA is the leading UK banking association, representing members from 50 countries on domestic and international issues. 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.
4. A note explaining lending terms is available from the BBA website at <http://www.bba.org.uk/statistics/article/lending-terminology>.
5. The introduction of the revised Standard Industrial Classification (SIC2007) in national statistics was reflected in the banks' statistical reporting at end-January 2011 and impacts on some of the industry-level data covered by this release, where counterparties have been re-classified between sectors. Where possible, estimates of underlying movements have been made to continue consistent time-series trends.

Release dates:

Data for the month of:	BBA 'high street banking'	Bank of England information on monetary aggregates, sectoral deposits/borrowing and lending to individuals
Jun 2014	23 Jul 2014	29 Jul 2014
Jul 2014	26 Aug 2014	1 Sep 2014
Aug 2014	23 Sep 2014	29 Sep 2014
Sep 2014	23 Oct 2014	29 Oct 2014
Oct 2014	25 Nov 2014	1 Dec 2014
Nov 2014	23 Dec 2014	2 Jan 2015
Dec 2014	26 Jan 2015	30 Jan 2015