



Statistics

High Street Banking - March 2014

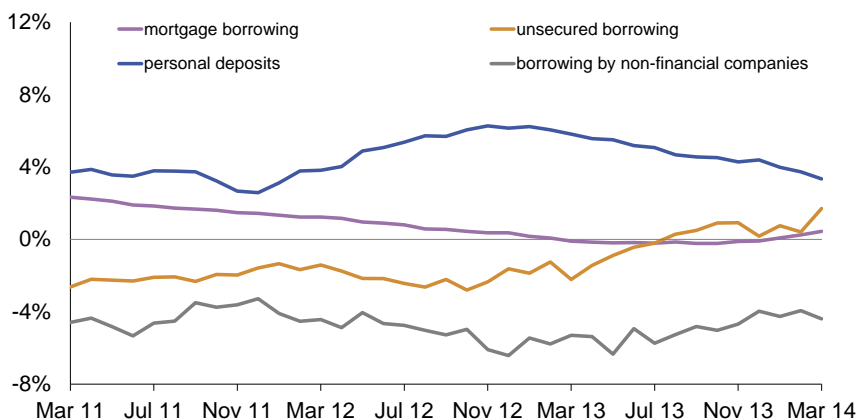
embargoed until 9.30am on Friday, 25th April 2014

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Key points:

- For the first time since January 2009, annual growth in personal loans and overdrafts has turned positive, associated with improving consumer confidence.
- There were 43% more mortgages approved for property purchases than in March 2013.
- Borrowing demand from businesses is improving slowly, with manufacturers and the wholesale & retail trade expanding their borrowing from a year ago.

annual growth rates



At the end of March:

Personal deposits were growing by 3.3% annually.

Unsecured borrowing had increased by 1.7% over the year. Within this, card borrowing grew by 3.1% while borrowing on personal loans and overdrafts increased by 0.5%.

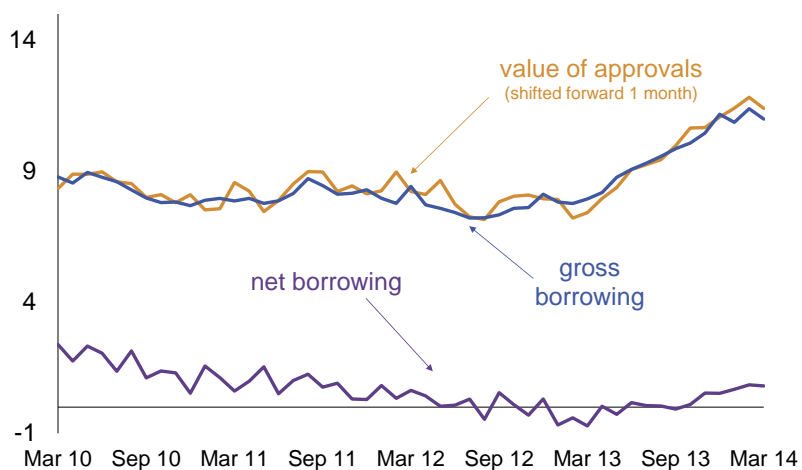
Mortgage stocks had risen by 0.4% over the year.

Gross mortgage borrowing of £11.0bn was 38% higher than in the same month last year.

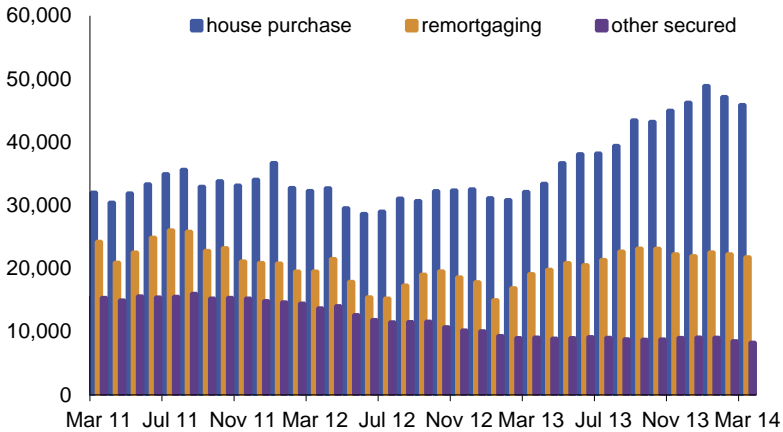
Higher capital repayment (in part reflecting homeowners switching lenders) contributed, to monthly contractions in net borrowing through much of 2013, but since the turn of the year, the overall mortgage stock has started to rise as greater demand feeds through.

£ bn

mortgage borrowing



number of approvals



Mortgage assistance schemes are helping first-time buyers and housing chains generally, as housing market activity rises.

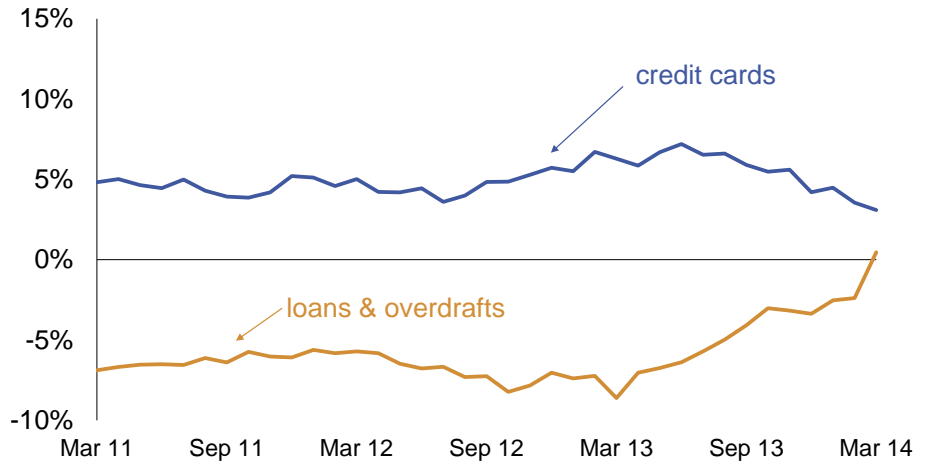
Compared to the same time a year earlier, approvals in March 2014 were:

House purchase	+ 43%
Remortgaging	+ 14%
Other	- 9%

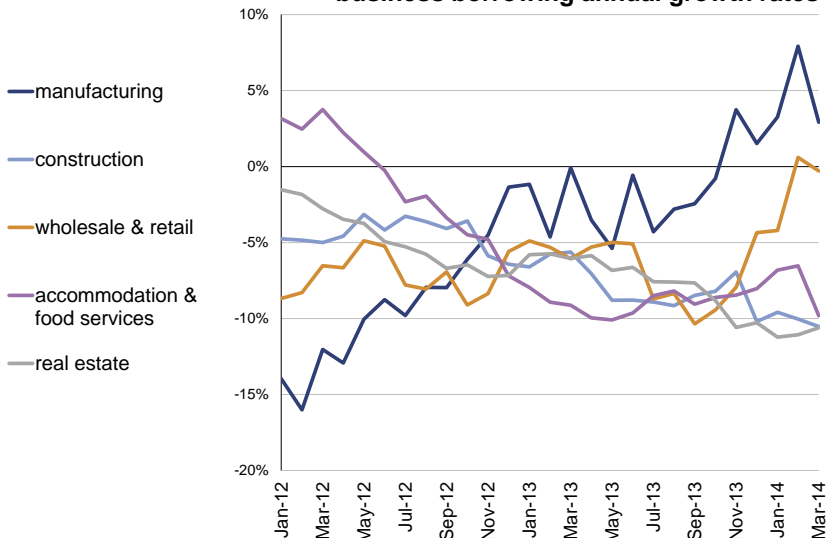
unsecured borrowing annual growth rates

March saw spending of £8.2bn on credit cards, some 6.3% more than in the same month a year earlier.

Net borrowing on personal loans and overdrafts grew by 0.5% in March, the first positive growth rate since January 2009 as loan demand is supported by rising consumer confidence and an improving economy.



business borrowing annual growth rates



The stock of borrowing by non-financial companies was £281bn at the end of 2013 and, though lending continued to contract overall in the first three months of 2014, a significant element of that reflects an ongoing contraction in lending to real estate.

However, annual growth in borrowing by manufacturers has been positive over the past few months and wholesale & retail trade is also showing some signs of growth.

All figures are seasonally adjusted unless otherwise specified as (nsa)	Mar 2014	Feb 2014	average of six months prior to Mar 2014	amounts outstanding (nsa)
Mortgages (secured)				
net mortgage borrowing	+ £ 0.8 bn	+ £ 0.8 bn	+ £ 0.4 bn	£ 783.8 bn
gross mortgage borrowing	£ 11.0 bn	£ 11.4 bn	£ 10.6 bn	
repayment of capital	£ 9.8 bn	£ 10.1 bn	£ 10.3 bn	
value of mortgage approvals	£ 11.3 bn	£ 11.4 bn	£ 11.2 bn	
house purchase	£ 7.5 bn	£ 7.6 bn	£ 7.3 bn	
re-mortgage	£ 3.4 bn	£ 3.4 bn	£ 3.4 bn	
other secured borrowing	£ 0.4 bn	£ 0.4 bn	£ 0.4 bn	
number of mortgage approvals	76,069	78,030	77,202	
house purchase	45,933	47,196	45,703	
re-mortgage	21,835	22,300	22,598	
other secured borrowing	8,301	8,534	8,901	
average approval value (nsa)				
house purchase	£ 163,600	£ 157,400	£ 157,000	
re-mortgage	£ 151,700	£ 146,500	£ 151,000	
other secured borrowing	£ 40,900	£ 42,800	£ 46,000	
Consumer credit				
net consumer credit borrowing	+ £ 0.4 bn	- £ 0.1 bn	+ £ 0.0 bn	£ 78.6 bn
credit cards				
net credit card borrowing	- £ 0.0 bn	+ £ 0.0 bn	+ £ 0.1 bn	£ 37.7 bn
new spending	£ 8.2 bn	£ 8.2 bn	£ 8.2 bn	
repayments	£ 8.4 bn	£ 8.3 bn	£ 8.2 bn	
number of purchases	128.6 mn	126.8 mn	125.6 mn	
loans & overdrafts				
net loans & overdraft borrowing	+ £ 0.4 bn	- £ 0.1 bn	- £ 0.0 bn	£ 40.9 bn
new loans	£ 1.6 bn	£ 1.5 bn	£ 1.4 bn	£ 33.4 bn
net overdraft borrowing (nsa)	+ £ 0.3 bn	- £ 0.2 bn	- £ 0.1 bn	£ 7.5 bn
Personal deposit & savings				
personal deposit net change	+ £ 0.1 bn	+ £ 1.8 bn	+ £ 2.0 bn	£ 743.5 bn
Net borrowing by businesses (nsa)				
by non-financial businesses	- £ 2.1 bn	- £ 0.7 bn	- £ 0.5 bn	£ 277.3 bn
by financial businesses	- £ 18.9 bn	+ £ 2.4 bn	- £ 2.0 bn	£ 305.5 bn

Notes to editors

1. 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 based on the Bank of England's 'lending to individuals' data. They include the six largest UK retail lending groups: 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 and financial services trade 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
March 2014	25 April 2014	1 May 2014
April 2014	27 May 2014	2 June 2014
May 2014	24 June 2014	30 June 2014
June 2014	23 July 2014	29 July 2014