



NOT FOR PUBLICATION UNTIL 09:30 ON 6 MAY 2008

## Analysis of bank and building society deposits from and lending to UK residents: 1<sup>st</sup> Quarter 2008

Following the transition of building societies' statistical reporting from the FSA to the Bank of England on 1<sup>st</sup> January 2008, this dataset now includes data reported by building societies. This will affect the levels data from 2008 Q1 onwards and the flows data from 2008 Q2 onwards. The title of this release has been changed to reflect this.

**Deposits from** other financial corporations (OFCs) increased by £71.7bn in Q1. This was largely accounted for by increased deposits from other financial intermediaries (+£21.0bn), securities dealers (+£15.1bn) and other auxiliary activities (+£13.7bn). Deposits from non-financial corporations (NFCs) fell by £4.5bn, more than accounted for by decreases from manufacturing (-£4.0bn), wholesale and retail trade (-£2.5bn) and development, buying, selling and renting of real estate (-£1.4bn).

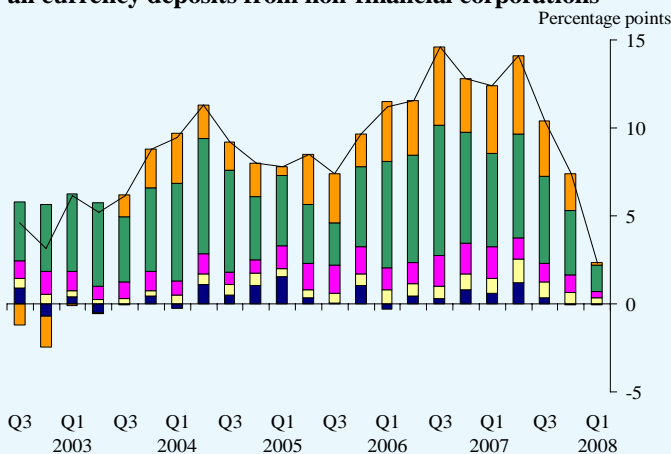
**Lending to** OFCs rose by £73.9bn in Q1, mainly accounted for by increased lending to other financial intermediaries (+£31.7bn), other auxiliary activities (+£27.6bn) and fund managers (+£9.2bn). Lending to NFCs rose by £29.2bn, with increases in lending to development, buying, selling and renting of real estate (+£9.3bn), food, beverages and tobacco (+£6.7bn) and construction (+£3.0bn).

**Table A: All currency deposits from and lending to UK resident sectors**

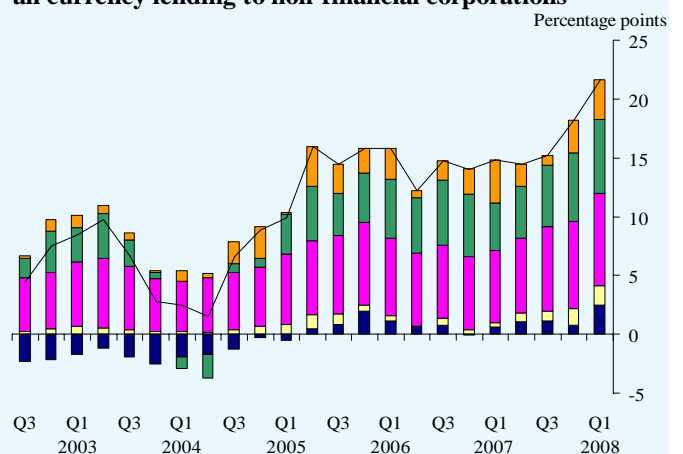
Not seasonally adjusted

	Deposits			Lending		
	Amount outstanding £ billions	Change £ billions	Annual Growth rate Per cent	Amount outstanding £ billions	Change £ billions	Annual Growth rate Per cent
<b>Non-financial corporations</b>	<b>356.5</b>	<b>-4.5</b>	<b>2.3</b>	<b>601.4</b>	<b>29.2</b>	<b>21.7</b>
Manufacturing	37.5	-4.0	-0.5	61.0	8.1	24.3
Construction	19.1	-0.9	6.6	31.5	3.0	34.0
Real estate <sup>(a)</sup>	35.7	-1.4	3.2	229.2	9.3	21.8
Services <sup>(b)</sup>	182.5	0.1	2.9	196.1	5.4	18.0
Other	81.8	1.6	0.8	83.6	3.5	24.1
<b>Other financial corporations</b>	<b>793.5</b>	<b>71.7</b>	<b>27.2</b>	<b>961.1</b>	<b>73.9</b>	<b>24.3</b>
Financial intermediation <sup>(c)</sup>	513.2	52.6	21.6	743.3	38.2	13.1
Insurance companies & pension funds	75.5	2.9	17.5	29.6	-1.0	16.5
Activities auxiliary to financial intermediation	204.7	16.1	48.5	188.3	36.7	105.6

**Chart 1: Contributions by sector to annual growth rate in all currency deposits from non-financial corporations**



**Chart 2: Contributions by sector to annual growth rate in all currency lending to non-financial corporations**



■ Manufacturing ■ Construction ■ Real Estate<sup>(a)</sup> ■ Services<sup>(b)</sup> ■ Other — Total (per cent)

<sup>(a)</sup> Development, buying, selling, renting of real estate.

<sup>(b)</sup> Includes wholesale & retail trade; hotels & restaurants; transport, storage and communication; renting of machinery & equipment; computer & related activities; legal, accountancy, consultancy & other business activities; and recreational, personal & community service activities.

<sup>(c)</sup> Excluding insurance companies & pension funds.

**Table B: Further breakdown of all currency deposits from and lending to UK residents <sup>(a)</sup>**

£ billions

Not seasonally adjusted

	Deposits		Lending	
	Change on Quarter	Outstanding at end-Q1 2008	Change on Quarter	Outstanding at end-Q1 2008
<b>Non-financial corporations</b>	<b>- 4.5</b>	<b>356.5</b>	<b>29.2</b>	<b>601.4</b>
Manufacturing	- 4.0	37.5	8.1	61.0
o/w Food, beverages & tobacco	0.0	3.7	6.7	20.8
Chemicals & man-made fibres, rubber & plastics	- 0.2	4.5	1.1	6.4
Machinery & transport equipment	- 2.3	8.3	0.5	8.1
Electricity, gas & water supply	0.4	9.0	1.6	10.6
o/w Electricity, gas & heated water	0.1	5.7	0.7	7.3
Construction	- 0.9	19.1	3.0	31.5
Wholesale & retail trade	- 2.5	30.8	2.6	57.0
o/w Sale & repair of motor vehicles & fuel	- 0.2	3.9	0.7	10.2
Other retail trade and repair	- 2.4	11.7	1.3	25.7
Hotels & restaurants	- 0.6	4.8	1.4	30.5
Transport, storage and communication	- 0.8	20.5	0.6	28.0
Real estate, renting, computer & other business activities	2.1	128.5	10.1	288.2
o/w Development, buying, selling, renting of real estate	- 1.4	35.7	9.3	229.2
Renting of machinery & equipment	0.0	1.7	0.0	9.3
Computer & related activities	0.3	9.7	0.0	4.7
Legal, accountancy, consultancy & other business activities	3.2	81.5	0.8	45.0
Public administration & defence	- 0.4	35.1	- 0.6	18.4
Education	0.0	10.1	0.3	9.1
Health & social work	- 0.6	13.5	0.5	19.9
Recreational, personal & community service activities	0.5	33.6	0.0	21.6
<b>Other financial corporations</b>	<b>71.7</b>	<b>793.5</b>	<b>73.9</b>	<b>961.1</b>
Financial intermediation (excl. insurance companies and pension funds)	52.6	513.2	38.2	743.3
o/w Non-bank credit grantors excl. credit unions	0.0	9.7	1.1	24.9
Mortgage & housing credit corporations	3.6	16.7	2.0	119.1
Bank holding companies	9.2	49.7	5.7	50.8
Securities dealers	15.1	176.8	- 0.7	228.4
Other financial intermediaries	21.0	213.3	31.7	250.3
Insurance companies & pension funds	2.9	75.5	- 1.0	29.6
Activities auxiliary to financial intermediation	16.1	204.7	36.7	188.3
o/w Fund management activities	2.4	93.5	9.2	63.5
Other auxiliary activities	13.7	111.2	27.6	124.8
<b>Individuals</b>	<b>12.7</b>	<b>874.9</b>	<b>15.5</b>	<b>959.4</b>
o/w Secured on dwellings incl. bridging finance	n/a	n/a	14.5	813.1
Other loans & advances	n/a	n/a	0.9	146.3
<b>Total all currency</b>	<b>79.9</b>	<b>2 024.9</b>	<b>118.7</b>	<b>2 522.0</b>

<sup>(a)</sup> The breakdowns - for non-financial corporations, other financial corporations, and individuals - only list the main changes and therefore do not sum to the total for each category.

**Notes to Editors**

- 1 Until Q3 2007, the analysis of lending covered loans, advances (including under reverse repos), finance leasing, acceptances and facilities (all in sterling and other currencies) provided by reporting banks to their UK resident non-bank non building society customers, as well as bank holdings of sterling and euro commercial paper issued by these resident customers. Following a review of statistical data collected, acceptances and holdings of sterling and euro commercial paper are no longer collected at the industry level detail with effect from Q4 2007 data. Total lending therefore reflects loans and advances (including under reverse repos) only, from Q4 2007 data. Further information on the definitions and calculations of growth rates can be found in Bank of England *Monetary and Financial Statistics* or via the following links:  
[www.bankofengland.co.uk/mfsd/iadb/notesiadb/industrial.htm](http://www.bankofengland.co.uk/mfsd/iadb/notesiadb/industrial.htm)  
[www.bankofengland.co.uk/mfsd/iadb/notesiadb/growth\\_rates.htm](http://www.bankofengland.co.uk/mfsd/iadb/notesiadb/growth_rates.htm)
- 2 Tables providing a more detailed breakdown of these data (including a sterling/other currency split), as well as revisions to previously published data, are available separately. In addition, the Statistical Interactive Database provides long runs of statistical data with comprehensive search options and the ability to download in a variety of formats. This database can be accessed at [www.bankofengland.co.uk/mfsd/iadb](http://www.bankofengland.co.uk/mfsd/iadb). The tables shown separately illustrate the codes for each series which can be used for downloading long runs from the database. Deposits and lending data analysed by nationality of ultimate ownership of the individual reporters can be made available on request.