



# Statistical release

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## Money and Credit: December 2015

### Part one: Broad money and credit

#### Aggregate money and credit

UK broad money, M4<sup>ex</sup>, is defined as M4 excluding intermediate other financial corporations (OFCs). M4<sup>ex</sup> increased by £3.0 billion in December, compared to the average monthly increase of £6.1 billion over the previous six months. The three-month annualised and twelve-month growth rates were 4.0% and 3.7% respectively.

M4L<sup>ex</sup> is defined as M4 lending excluding intermediate OFCs. M4L<sup>ex</sup> increased by £3.6 billion in December, compared to the average monthly increase of £6.1 billion over the previous six months. The three-month annualised and twelve-month growth rates were both 3.5%.

**Table A: Aggregate money and credit**

Sterling

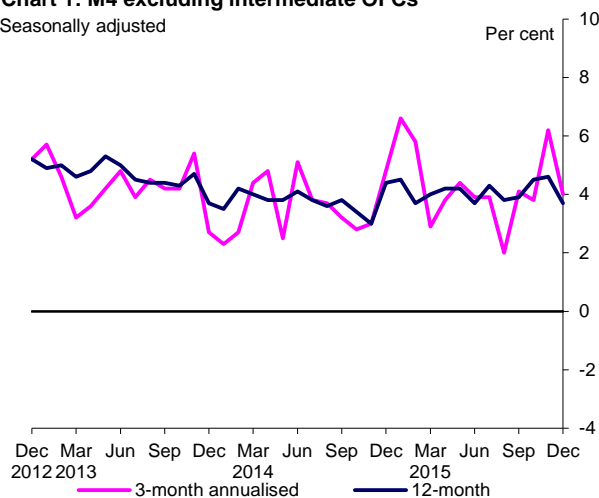
Seasonally adjusted<sup>(a)</sup>

	M4 excluding intermediate OFCs					M4L excluding intermediate OFCs				
	Amounts outstanding	Changes	Growth rates			Amounts outstanding	Changes	Growth rates		
			1m	3m	12m			1m	3m	12m
	£ billions	£ billions	(ann)			£ billions	£ billions	(ann)		
		per cent	per cent	per cent			per cent	per cent	per cent	
	B53Q	B54Q	B68P	B55Q	B56Q	B57Q	B58Q	B66P	B59Q	B62Q
2015 Sep	1,842.0	12.2	0.7	4.1	3.9	1,772.8	10.8	0.6	5.4	3.1
Oct	1,849.3	8.2	0.4	3.8	4.5	1,771.6	2.4	0.1	3.7	3.3
Nov	1,856.2	7.2	0.4	6.2	4.6	1,783.8	9.5	0.5	5.3	3.6
Dec	1,860.9	3.0	0.2	4.0	3.7	1,791.7	3.6	0.2	3.5	3.5

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A2.2.3](#).

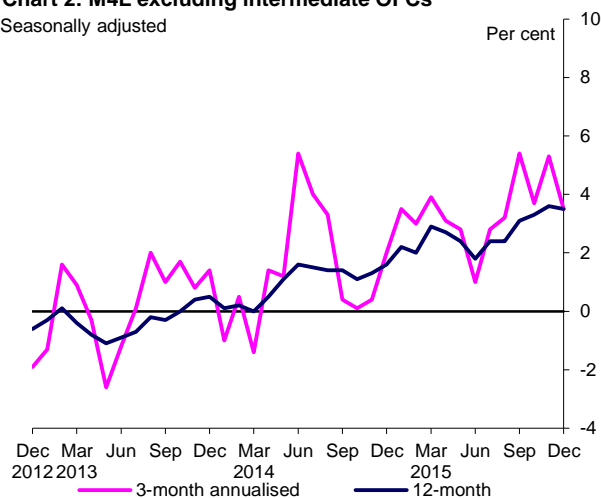
**Chart 1: M4 excluding intermediate OFCs**

Seasonally adjusted



**Chart 2: M4L excluding intermediate OFCs**

Seasonally adjusted



## Sectoral money and credit

### Households' money and credit

Households' holdings of M4 increased by £8.6 billion in December, compared to the average monthly increase of £4.2 billion over the previous six months. The three-month annualised and twelve-month growth rates were 5.9% and 3.8% respectively.

M4 lending to households increased by £3.9 billion in December, compared to the average monthly increase of £4.1 billion over the previous six months. The three-month annualised and twelve-month growth rates were 4.2% and 3.3% respectively.

**Table B: Households' money and credit**

Sterling

Seasonally adjusted

	M4: Households <sup>(a)</sup>					M4L: Households <sup>(b)</sup>				
	Amounts outstanding	Changes	Growth rates			Amounts outstanding	Changes	Growth rates		
			1m	3m	12m			1m	3m	12m
	(ann)					(ann)				
£ billions	£ billions	per cent	per cent	per cent	£ billions	£ billions	per cent	per cent	per cent	
	VHR	VHS	VHT	VHU	VHW	BC44	WNV	WNV	WEI	WVNZ
2015 Sep	1,253.4	3.7	0.3	3.9	3.4	1,245.7	4.0	0.3	3.9	2.8
Oct	1,259.3	5.9	0.5	4.9	3.6	1,249.7	4.4	0.3	4.2	3.0
Nov	1,262.8	3.5	0.3	4.3	3.6	1,254.2	4.6	0.4	4.2	3.2
Dec	1,270.8	8.6	0.7	5.9	3.8	1,260.8	3.9	0.3	4.2	3.3

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A4.1](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [VVIM](#).

(b) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A4.3](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [B9Y6](#).

### Private non-financial corporations' (PNFCs) money and credit

PNFCs' holdings of M4 decreased by £4.2 billion in December, compared to the average monthly increase of £4.3 billion over the previous six months. The three-month annualised and twelve-month growth rates were 6.8% and 11.5% respectively.

M4 lending to PNFCs decreased by £1.0 billion in December, compared to the average monthly increase of £0.3 billion over the previous six months. The three-month annualised and twelve-month growth rates were 0.8% and 1.0% respectively.

**Table C: PNFCs' money and credit**

Sterling

Seasonally adjusted

	M4: PNFCs <sup>(a)</sup>					M4L: PNFCs <sup>(b)</sup>				
	Amounts outstanding	Changes	Growth rates			Amounts outstanding	Changes	Growth rates		
			1m	3m	12m			1m	3m	12m
	(ann)					(ann)				
£ billions	£ billions	per cent	per cent	per cent	£ billions	£ billions	per cent	per cent	per cent	
	VHL	VHM	VHN	VHO	VHQ	BC57	WVWQ	WVWR	WVWS	WVWU
2015 Sep	337.9	4.6	1.4	16.8	12.6	362.7	0.6	0.2	2.3	0.3
Oct	342.4	4.4	1.3	14.7	12.9	365.3	1.1	0.3	2.5	1.2
Nov	347.9	5.5	1.6	18.6	14.2	368.2	0.5	0.1	2.5	1.5
Dec	344.3	-4.2	-1.2	6.8	11.5	368.9	-1.0	-0.3	0.8	1.0

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A4.1](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [VVIG](#).

(b) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A4.3](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [B9Y5](#).

## Non-intermediate other financial corporations' (OFCs) money and credit

Non-intermediate OFCs' holdings of M4 decreased by £1.3 billion in December, compared to the average monthly decrease of £2.4 billion over the previous six months. The three-month annualised and twelve-month growth rates were -8.3% and -6.0% respectively.

M4 lending to non-intermediate OFCs increased by £0.7 billion in December, compared to the average monthly increase of £1.7 billion over the previous six months. The three-month annualised and twelve-month growth rates were 5.1% and 10.1% respectively.

**Table D: Non-intermediate OFCs' money and credit**

Sterling

Seasonally adjusted<sup>(a)</sup>

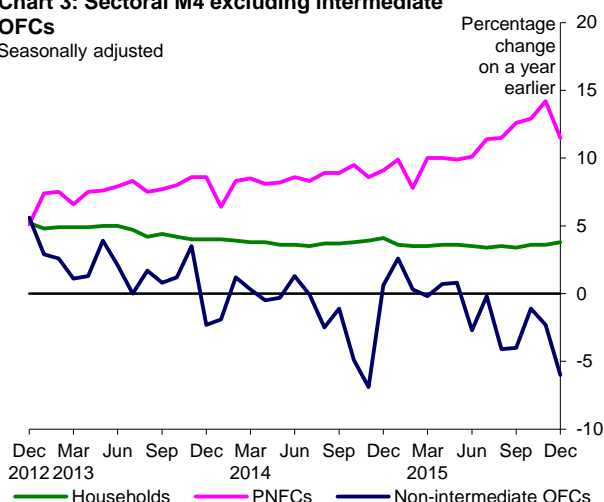
	M4: Non-intermediate OFCs					M4L: Non-intermediate OFCs <sup>(b)</sup>				
	Amounts outstanding	Changes	Growth rates			Amounts outstanding	Changes	Growth rates		
			1m	3m	12m			1m	3m	12m
	£ billions	£ billions	per cent	per cent	per cent	£ billions	£ billions	per cent	per cent	per cent
	B63Q	B64Q	B67P	B65Q	B66Q	B67Q	B68Q	B65P	B69Q	B72Q
2015 Sep	250.6	3.9	1.6	-10.2	-4.0	164.4	6.3	4.0	26.2	11.6
Oct	247.6	-2.1	-0.8	-14.1	-1.1	156.5	-3.1	-1.9	2.3	9.7
Nov	245.5	-1.9	-0.8	-0.1	-2.3	161.4	4.4	2.8	20.9	11.3
Dec	245.8	-1.3	-0.5	-8.3	-6.0	162.1	0.7	0.4	5.1	10.1

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A2.2.3](#).

(b) These series have not been seasonally adjusted as, after examination, they were found not to be significantly seasonal. These series are reviewed for seasonality regularly.

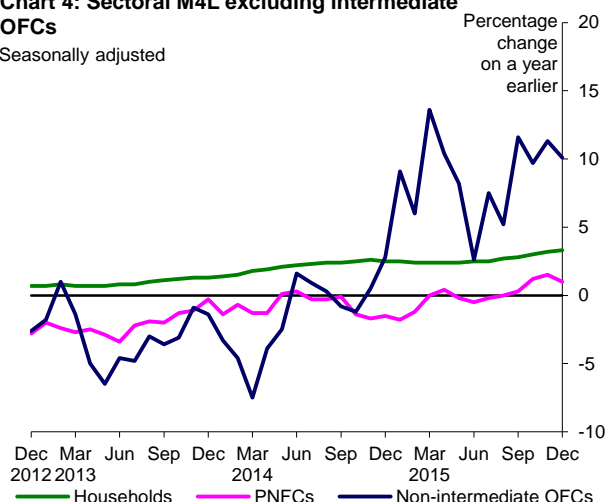
**Chart 3: Sectoral M4 excluding intermediate OFCs**

Seasonally adjusted



**Chart 4: Sectoral M4L excluding intermediate OFCs**

Seasonally adjusted



### About these data:

Monetary financial institutions (MFIs) are defined as UK-resident banks and building societies.

Data presented in Tables A to D and Charts 1 to 4 relate to UK sterling measures of broad money (M4<sup>ex</sup>) and credit (M4L<sup>ex</sup>). The credit measure excludes the effects of any securitisations of lending by banks and building societies: this means that any lending that is securitised remains included in this definition.

Broad money comprises cash (sterling only) and holdings of sterling deposits and similar short-term sterling liabilities including repo positions. Credit comprises sterling borrowing from UK MFIs, including loans, overdrafts, issuance of securities, reverse repos and similar financial instruments.

In all tables, the 'changes' data are measured after the removal of significant series break effects that may be present in the amounts outstanding measures. Growth rates are calculated using 'changes' data.

Further information can be found in the explanatory notes, available at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4\\_sectoral.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4_sectoral.aspx).

If you have any queries with regards to these data please email [srdd\\_ms@bankofengland.co.uk](mailto:srdd_ms@bankofengland.co.uk) or call 020 7601 5361.

## Aggregate M4 and M4 lending

Table E provides summary data for the aggregate broad money and credit data on definitions that do not exclude intermediate OFCs, i.e. they include all OFCs.

**Table E: Aggregate M4 and M4 lending**

Sterling

Seasonally adjusted

		M4 <sup>(a)</sup>			M4L <sup>(b)</sup>		
		Changes	Growth rates		Changes	Growth rates	
			1m	12m		1m	12m
		£ billions	per cent	per cent	£ billions	per cent	per cent
		AUZJ	VQJS	VQJW	VVWL	VVVM	VVVP
2015	Sep	-20.3	-1.0	-0.5	-0.1	0.0	-0.1
	Oct	12.5	0.6	0.2	-4.8	-0.2	0.3
	Nov	9.1	0.4	0.5	5.8	0.3	0.9
	Dec	-5.0	-0.2	0.2	2.5	0.1	0.7

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Tables [A2.2.1](#), [A2.2.3](#) and [A3.1](#).

(b) For the equivalent series not seasonally adjusted, see *Bankstats* Tables [A2.1.1](#) and [A2.2.3](#).

## Deposits and loans of financial and non-financial businesses, by industry

Deposits from financial and non-financial businesses decreased by £24.9 billion in December, compared to the average monthly decrease of £1.8 billion over the previous six months. The decrease was mainly in deposits from businesses in the financial services industry (-£26.7 billion). The twelve-month growth rate was -2.1%.

Loans to financial and non-financial businesses decreased by £21.4 billion in December, compared to the average monthly decrease of £2.5 billion over the previous six months. This decrease is mainly in loans to the financial services industry (-£17.3 billion). The twelve-month growth rate was -0.3%.

**Table F: Deposits and loans of financial and non-financial businesses, by industry<sup>(a)</sup>**

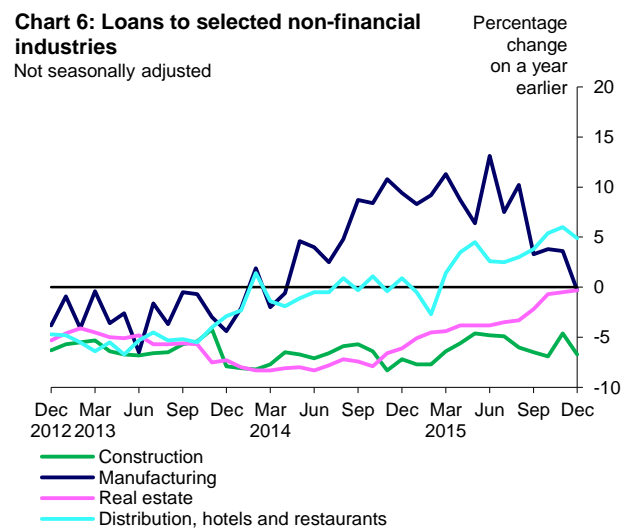
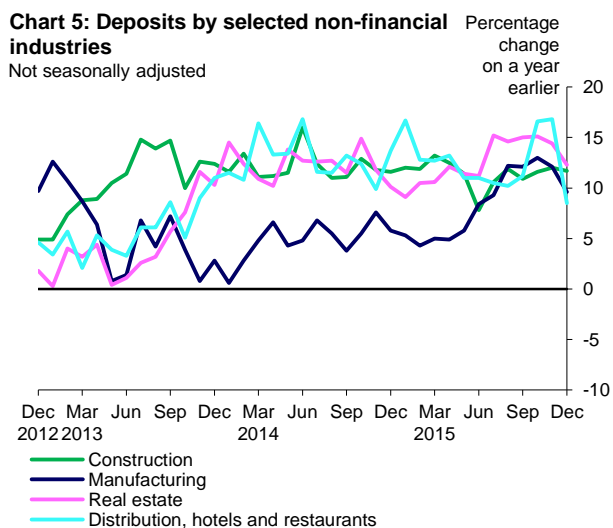
All currencies

Not seasonally adjusted

December 2015

	Deposits						Loans					
	Amounts		Changes	Growth rate	Amounts		Changes	Growth rate	Amounts		Changes	Growth rate
	outstanding	£ billions			outstanding	£ billions			outstanding	£ billions		
		£ billions	£ billions	per cent		£ billions	£ billions	per cent		£ billions	£ billions	per cent
<b>Agriculture, hunting, forestry and fishing</b>	<b>Z8ZE</b>	<b>6.5</b>	<b>Z8ZF</b>	<b>0.2</b>	<b>Z8ZG</b>	<b>-6.4</b>	<b>Z929</b>	<b>18.0</b>	<b>Z92A</b>	<b>0.0</b>	<b>Z92B</b>	<b>12.9</b>
<b>Total production</b>	<b>Z8ZH</b>	<b>88.1</b>	<b>Z8ZI</b>	<b>0.8</b>	<b>Z8ZJ</b>	<b>14.5</b>	<b>Z92C</b>	<b>55.8</b>	<b>Z92D</b>	<b>-2.1</b>	<b>Z92E</b>	<b>0.5</b>
Mining and quarrying	TDAD	22.6	BG25	-2.2	Z8ZK	30.3	TBSE	6.4	BG85	-0.2	Z92F	-2.1
Manufacturing	TDAE	54.0	BG26	2.6	B6G7	9.6	TBSF	35.2	BG86	-2.0	BH43	-0.3
Electricity, gas and air conditioning supply	TDAN	7.5	BG38	0.4	Z8ZL	29.4	TBSO	9.2	BG97	0.0	Z92H	1.7
Water supply, sewerage etc.	Z8ZM	4.0	Z8ZN	-0.1	Z8ZO	-10.3	Z92I	5.0	Z92J	0.0	Z92K	8.2
<b>Construction</b>	<b>TDAP</b>	<b>34.4</b>	<b>BG42</b>	<b>1.5</b>	<b>B8G2</b>	<b>11.7</b>	<b>TBSQ</b>	<b>33.0</b>	<b>BG99</b>	<b>-2.1</b>	<b>BH56</b>	<b>-6.7</b>
<b>Total services</b>	<b>Z8ZP</b>	<b>1,088.4</b>	<b>Z8ZQ</b>	<b>-27.5</b>	<b>Z8ZR</b>	<b>-3.5</b>	<b>Z92L</b>	<b>961.5</b>	<b>Z92M</b>	<b>-17.1</b>	<b>Z92N</b>	<b>-0.4</b>
Distribution, hotels and restaurants	Z8ZS	56.0	Z8ZT	1.9	Z8ZU	8.5	Z92O	65.6	Z92P	-0.3	Z92Q	4.9
Transport, storage and communication	TDAV	44.3	BG48	-0.6	Z8ZV	1.4	TBSW	29.0	B2G7	0.3	Z92R	4.5
Business services	TDAW	149.8	BG49	-2.4	Z8ZW	11.6	TBSX	177.7	B2G8	-0.2	Z92S	-0.5
o/w Real estate	TDAX	43.8	BG52	1.8	B9G2	12.3	TBSY	135.7	B2G9	0.8	BH66	-0.3
Financial services	B3H2	732.9	B2H6	-26.7	B3H6	-8.3	B4H4	639.5	B2H4	-17.3	B4H8	-0.9
Financial intermediation	TDBG	391.1	BG64	-1.5	BH23	-12.1	TBTI	367.9	B4G2	-1.5	BH77	-2.0
Insurance companies and pension funds	TDBR	56.3	BG77	-2.0	BH36	-6.6	TBTT	22.7	B5G5	-2.6	BH92	-2.0
Activities auxiliary to financial intermediation	B5H5	285.5	B5H4	-23.2	B5H6	-2.7	B5H8	248.9	B5H7	-13.1	B5H9	1.0
Government and other services	Z926	105.4	Z927	0.2	Z928	6.0	Z932	49.7	Z933	0.4	Z934	-1.9
<b>Total financial and non-financial businesses</b>	<b>Z8ZX</b>	<b>1,217.4</b>	<b>Z8ZY</b>	<b>-24.9</b>	<b>Z8ZZ</b>	<b>-2.1</b>	<b>Z92T</b>	<b>1,068.2</b>	<b>Z92U</b>	<b>-21.4</b>	<b>Z92V</b>	<b>-0.3</b>
o/w Non-financial businesses	B2H9	484.5	B2H5	1.8	B3H5	9.2	B4H3	428.7	B2H3	-4.1	B4H7	0.6

(a) The SIC codes associated with the series shown in this table are available at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/industrial.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/industrial.aspx).



**About these data:**

Monetary financial institutions (MFIs) are defined as UK-resident banks and building societies.

Data presented in Table F relate to deposits placed at MFIs by all UK industries and loans by MFIs to all UK industries. Data cover loans and deposits in both sterling and foreign currency, expressed in sterling.

Deposits and loans are classified according to the National Accounts standard industrial classification.

Table F has a broader scope compared to Tables A to D. It includes all currencies and also covers public sector institutions and enterprises, and intermediate financial corporations.

Further information can be found in the explanatory notes, available at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/industrial.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/industrial.aspx).

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# Money and Credit: December 2015

## Part two: Lending to individuals

### Total lending to individuals

Total lending to individuals increased by £4.4 billion in December, compared to the average monthly increase of £4.6 billion over the previous six months. The three-month annualised and twelve-month growth rates were 4.0% and 3.3% respectively.

**Table G: Lending to individuals**

Sterling

Seasonally adjusted<sup>(a)</sup>

	Amounts outstanding £ billions	Changes £ billions	Growth rates		
			1m	3m(ann)	12m
			per cent	per cent	per cent
	<b>BZ2A</b>	<b>BZ2C</b>	<b>BZ2E</b>	<b>BZ2G</b>	<b>BZ2K</b>
2015 Sep	1,451.1	4.7	0.3	3.8	2.9
Oct	1,455.5	4.8	0.3	4.0	3.0
Nov	1,460.1	5.2	0.4	4.1	3.2
Dec	1,455.4	4.4	0.3	4.0	3.3

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A5.2](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [BZ2H](#).

### Lending secured on dwellings

Lending secured on dwellings increased by £3.2 billion in December, broadly in line with the average monthly increase over the previous six months. The three-month annualised and twelve-month growth rates were 3.3% and 2.6% respectively. Gross lending secured on dwellings was £19.5 billion and repayments were £16.0 billion.

**Table H: Lending secured on dwellings**

Sterling

Seasonally adjusted<sup>(a)</sup>

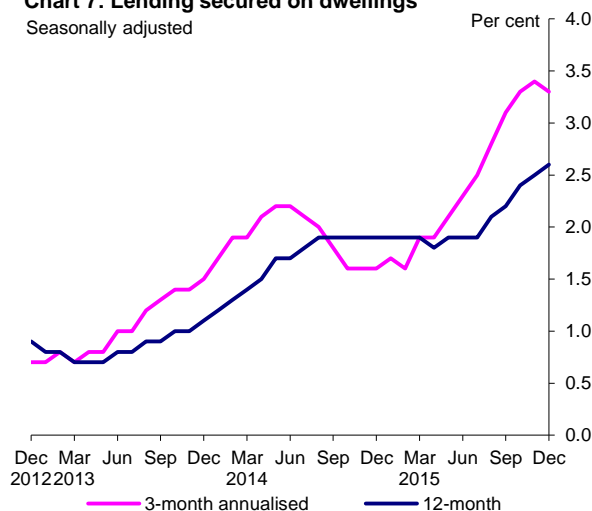
	Amounts outstanding £ billions	Changes <sup>(b)</sup> £ billions	Growth rates			Gross lending £ billions	Repayments £ billions
			1m	3m(ann)	12m		
			per cent	per cent	per cent		
	<b>VTXK</b>	<b>VTVJ</b>	<b>VTYF</b>	<b>VTYG</b>	<b>VTYI</b>	<b>VTVC</b>	<b>B86L</b>
2015 Sep	1,274.9	3.5	0.3	3.1	2.2	18.6	15.5
Oct	1,278.3	3.6	0.3	3.3	2.4	20.0	17.0
Nov	1,281.9	3.8	0.3	3.4	2.5	20.2	16.6
Dec	1,276.7	3.2	0.2	3.3	2.6	19.5	16.0

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Tables [A5.2](#), [A5.3](#) and [A5.5](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [B3XJ](#).

(b) The changes series will not necessarily equal gross lending minus repayments, due to the seasonal adjustment methodology used and small differences in coverage between the three series.

**Chart 7: Lending secured on dwellings**

Seasonally adjusted



## Mortgage approvals

The number of loan approvals for house purchase was 70,837 in December, compared to the average of 69,462 over the previous six months. The number of approvals for remortgaging was 41,708, compared to the average of 39,540 over the previous six months. The number of approvals for other purposes was 12,258, compared to the average of 11,725 over the previous six months.

**Table I: Approvals of loans secured on dwellings**

Sterling

Seasonally adjusted<sup>(a)</sup>

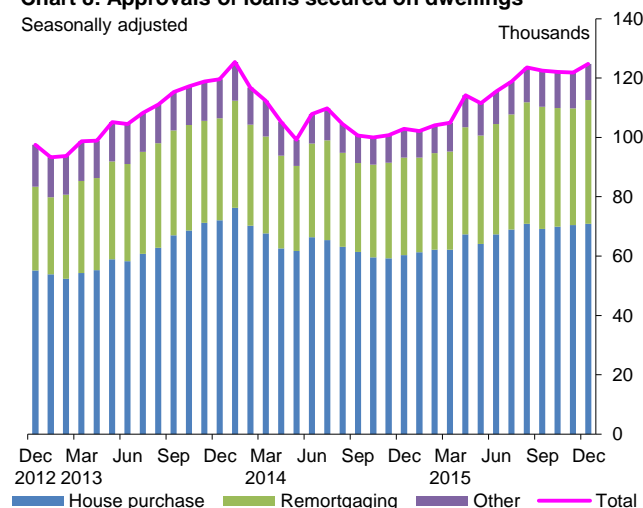
	Total		House purchase		Remortgaging		Other	
	Value <sup>(b)</sup>	Number	Value	Number	Value	Number	Value	Number
	£ billions		£ billions		£ billions		£ billions	
	VTVQ	B3C8	B4B5	VTVX	B4B6	B4B3	B4B7	B4B4
2015 Sep	19.8	122,460	12.1	69,212	7.1	41,139	0.7	12,109
Oct	19.7	122,059	12.2	69,933	6.9	39,924	0.6	12,202
Nov	19.6	121,818	12.3	70,424	6.8	39,374	0.6	12,020
Dec	20.0	124,803	12.3	70,837	7.1	41,708	0.6	12,258

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A5.4](#).

(b) Owing to the seasonal adjustment methodology, this series may not equal the sum of its components.

**Chart 8: Approvals of loans secured on dwellings**

Seasonally adjusted



## Consumer credit

Consumer credit increased by £1.2 billion in December, compared to the average monthly increase of £1.3 billion over the previous six months. The three-month annualised and twelve-month growth rates were 9.1% and 8.6% respectively.

**Table J: Consumer credit**

Sterling

Seasonally adjusted<sup>(a)</sup>

		Amounts		Growth rates		
		outstanding	Changes			
		£ billions	£ billions	1m	3m(ann)	12m
				per cent	per cent	per cent
		B12O	B3PS	B3PW	B3PY	B4TC
2015 Sep		176.2	1.2	0.7	9.0	8.2
Oct		177.2	1.2	0.7	8.8	8.2
Nov		178.2	1.5	0.8	9.3	8.4
Dec		178.7	1.2	0.7	9.1	8.6

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Tables [A5.2](#) and [A5.6](#), with the exception of the three-month annualised growth rate, which is available on the Statistical Interactive Database as code [B3MZ](#).

Within consumer credit, credit card lending increased by £0.4 billion in December, compared to the average monthly increase of £0.3 billion over the previous six months. Other loans and advances increased by £0.8 billion, compared to the average monthly increase of £1.0 billion over the previous six months.

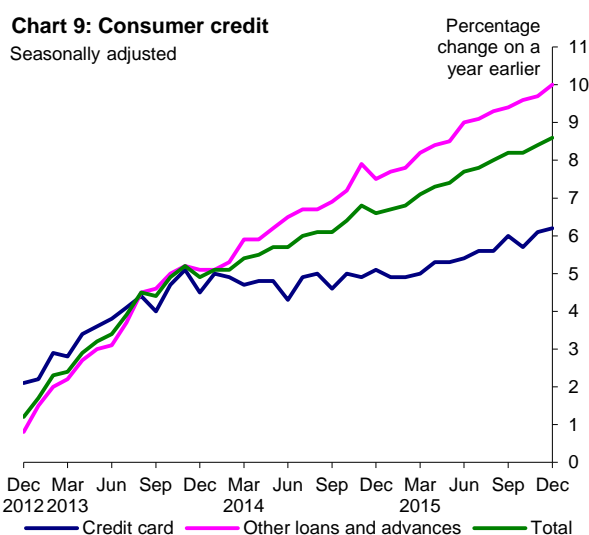
**Table K: Consumer credit by category**

Sterling  
Seasonally adjusted

	Credit card <sup>(a)</sup>					Other loans and advances <sup>(b)</sup>				
	Amounts outstanding £ billions	Changes £ billions	Growth rates			Amounts outstanding £ billions	Changes £ billions	Growth rates		
			1m per cent	3m(ann) per cent	12m per cent			1m per cent	3m(ann) per cent	12m per cent
	VZRJ	VZQX	B7A4	VZZM	VUJZ	B4TS	B4TU	B4TK	B4TM	B4TQ
2015 Sep	62.7	0.3	0.4	6.7	6.0	113.5	1.0	0.8	10.3	9.4
Oct	62.8	0.3	0.4	5.7	5.7	114.4	1.0	0.9	10.5	9.6
Nov	63.1	0.5	0.7	6.6	6.1	115.1	1.0	0.9	10.8	9.7
Dec	63.3	0.4	0.6	7.2	6.2	115.3	0.8	0.7	10.1	10.0

(a) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A5.6](#), with the exception of the growth rates, which are available on the Statistical Interactive Database as codes [B8A4](#), [B8A5](#) and [B8A7](#).

(b) For the equivalent series not seasonally adjusted, see *Bankstats* Table [A5.6](#), with the exception of the growth rates, which are available on the Statistical Interactive Database as codes [B4TL](#), [B4TN](#) and [B4TR](#).



#### About these data:

Monetary financial institutions (MFIs) are defined as UK-resident banks and building societies.

Data presented in Tables G to K relate to sterling lending to individuals by MFIs and by other lenders (including non-MFI consumer credit grantors, specialist mortgage lenders, retailers, central and local government, public corporations and insurance companies).

Lending to individuals is split between lending secured on dwellings (mortgages) and consumer credit. Consumer credit is further split between credit card debt and other loans and advances. Student loans are excluded from the definitions in this statistical release.

The data presented in Part two are not directly comparable to the data on M4 lending to households presented in Part one. Firstly, in Part one households are defined to include individuals, unincorporated businesses and non-profit institutions serving households. Secondly, data in Part two relate to a broader definition of lenders as they include other (non-MFI) lenders, which are excluded from the M4 lending definitions. The tables also provide additional information on flows of new lending and repayments, and on mortgage approvals.

In all tables, the 'changes' data are measured after the removal of significant series break effects that may be present in the amounts outstanding measures. Growth rates are calculated using 'changes' data.

There is some overlap in the data covered in this release with those in the joint Bank of England and FCA [release](#) on Mortgage Lenders and Administrators Statistics. For further details see *Bankstats*, November 2014, 'Residential mortgages: a comparison of the Bank of England's published statistical and regulatory data collections', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1nov14.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1nov14.pdf).

Further information on lending to individuals data can be found in the explanatory notes, available at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/loi.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/loi.aspx).

If you have any queries with regards to these data please email [srdd\\_ms@bankofengland.co.uk](mailto:srdd_ms@bankofengland.co.uk) or call 020 7601 5361.



## Money and Credit: December 2015

### Part three: Lending to businesses

#### PNFCs' financing

Table L outlines a wider measure of PNFCs' financing from MFIs and capital markets. PNFCs' net finance raised from MFIs and capital markets was £0.5 billion in December, compared to an average of £2.1 billion raised over the previous six months.

**Table L: Net finance raised by PNFCs**

All currencies, £ billions

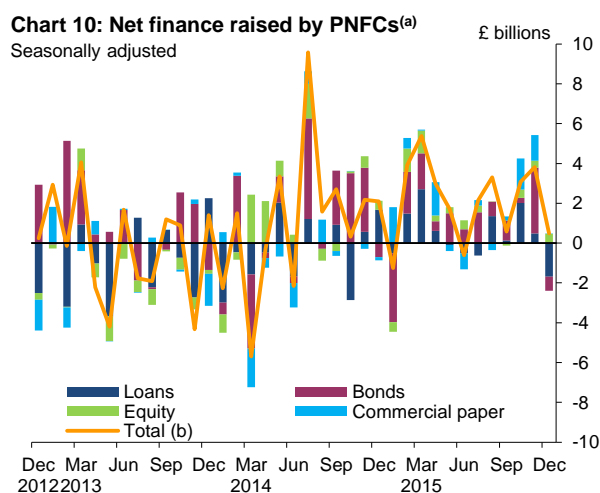
Seasonally adjusted

	Net finance raised by PNFCs from MFIs and capital markets <sup>(a)</sup>	of which:			
		Equity issued by PNFCs <sup>(b)</sup>	Bonds issued by PNFCs <sup>(b)</sup>	Commercial paper issued by PNFCs <sup>(b)</sup>	Loans by MFIs <sup>(c)</sup>
	VYV	B29L	Z93T	B32L	B93K
2015 Sep	0.6	-0.1	1.0	0.2	0.1
Oct	3.1	0.4	0.3	1.6	2.0
Nov	3.8	0.3	3.3	1.3	0.5
Dec	0.5	0.5	-0.7	0.0	-1.7

(a) Owing to the seasonal adjustment methodology, this series may not equal the sum of its components.

(b) This series has not been seasonally adjusted as, after examination, it was found not to be significantly seasonal. This series is reviewed for seasonality regularly.

(c) An equivalent series not seasonally adjusted, is available on the IADB as code [B6NT](#).



(a) Finance raised by PNFCs from monetary financial institutions and capital markets. Data cover funds raised in both sterling and foreign currency, expressed in sterling. Bonds, equity and commercial paper are non seasonal.

(b) Owing to the seasonal adjustment methodology, this series may not equal the sum of its components.

## Loans to non-financial businesses

Loans to non-financial businesses decreased by £3.7 billion in December, compared to an average monthly decrease of £0.3 billion over the previous six months. The twelve-month growth rate was 0.0%. Within this, loans to small and medium-sized enterprises (SMEs) decreased by £0.3 billion, compared to an average monthly increase of £0.2 billion over the previous six months. The twelve-month growth rate was 1.2%.

**Table M: Loans to non-financial businesses**

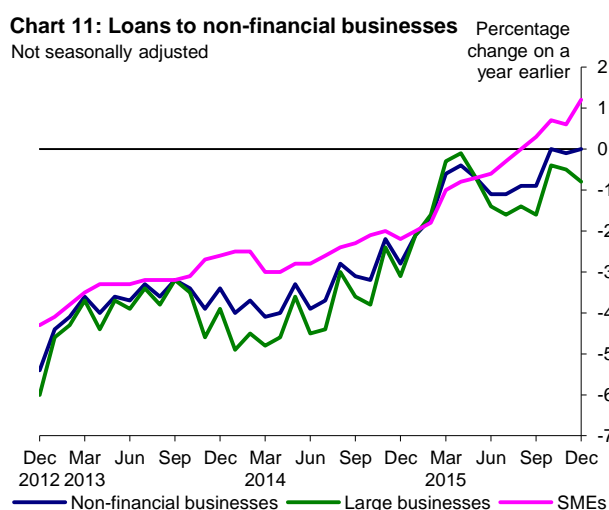
All currencies

Not seasonally adjusted

		Non-financial businesses			
		Amounts outstanding	of which: Overdrafts	Changes	Growth rate
		£ billions	£ billions	£ billions	12m per cent
		Z8YJ	Z8YG	Z8YP	Z8YV
2015	Sep	430.5	36.8	-0.9	-0.9
	Oct	432.5	36.7	2.5	0.0
	Nov	431.6	37.0	-0.7	-0.1
	Dec	429.2	35.5	-3.7	0.0
		of which: large businesses <sup>(a)</sup>			
		Amounts outstanding	of which: Overdrafts	Changes	Growth rate
		£ billions	£ billions	£ billions	12m per cent
		Z8YI	Z8YF	Z8YO	Z8YU
2015	Sep	266.4	24.1	-1.2	-1.6
	Oct	268.1	24.1	2.0	-0.4
	Nov	268.6	24.4	-0.8	-0.5
	Dec	265.0	23.2	-3.4	-0.8
		of which: SMEs <sup>(b)</sup>			
		Amounts outstanding	of which: Overdrafts	Changes	Growth rate
		£ billions	£ billions	£ billions	12m per cent
		Z8YH	Z8YE	Z8YN	Z8YT
2015	Sep	164.0	12.7	0.3	0.3
	Oct	164.3	12.6	0.5	0.7
	Nov	163.1	12.6	0.1	0.6
	Dec	164.2	12.3	-0.3	1.2

(a) Large businesses are those with annual debit account turnover on the main business account of £25 million or over.

(b) SMEs are those businesses with annual debit account turnover on the main business account less than £25 million.



## Gross lending to and repayments by non-financial businesses (excluding overdrafts)

Gross lending (excluding overdrafts) to non-financial businesses was £18.3 billion in December. Within this, gross lending to large businesses was £13.0 billion, whilst gross lending to SMEs was £5.3 billion. Repayments by non-financial businesses were £20.5 billion in December. Within this, repayments by large businesses were £15.2 billion, whilst repayments by SMEs were £5.3 billion. Net lending - defined as gross lending less repayments - to large businesses was -£2.2 billion in December. Net lending to SMEs was £0.0 billion.

**Table N: Gross lending to and repayments by non-financial businesses (excluding overdrafts)**

All currencies, £ billions

Not seasonally adjusted

	Amounts outstanding	Large businesses <sup>(a)</sup>			SMEs <sup>(b)</sup>			
		Gross lending	Repayments	Net lending <sup>(c)</sup>	Amounts outstanding	Gross lending	Repayments	Net lending <sup>(c)</sup>
	Z8YC	Z8Y3	Z8Y6	Z8Y9	Z8YB	Z8Y2	Z8Y5	Z8Y8
2015 Sep	242.3	10.4	11.7	-1.3	151.4	4.7	4.4	0.3
Oct	244.0	13.9	11.9	2.0	151.7	5.1	4.5	0.5
Nov	244.2	10.6	11.7	-1.1	150.5	4.7	4.6	0.1
Dec	241.8	13.0	15.2	-2.2	151.9	5.3	5.3	0.0

(a) Large businesses are those with annual debit account turnover on the main business account of £25 million or over.

(b) SMEs are those businesses with annual debit account turnover on the main business account less than £25 million.

(c) Net lending is defined as gross lending minus repayments.

### About these data:

Monetary financial institutions (MFIs) are defined as UK-resident banks and building societies.

Data presented in Table L relate to net flows of lending to UK private non-financial corporations (PNFCs) in the form of borrowing from MFIs and issuance of securities by PNFCs (such as equity, bonds and commercial paper) on capital markets, to all investors, in all currencies. There may be some flows of global finance to UK PNFCs not captured by these data. Further information can be found in the Capital Issuance release, available at [www.bankofengland.co.uk/statistics/Pages/calendar/default.aspx](http://www.bankofengland.co.uk/statistics/Pages/calendar/default.aspx).

Tables M and N relate to UK MFIs lending to UK non-financial businesses, in all currencies. This is a broader coverage of borrowers than Tables A and C, because this definition of businesses also includes public sector enterprises and unincorporated businesses, but it relates to a narrower definition of lending, because capital market issuance of debt securities is excluded. There is an 'of which' split relating to small and medium-sized enterprises (SMEs). Gross lending data presented in Table N relate to gross loans excluding overdrafts.

Further information can be found in the explanatory notes, available at

[www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/loans\\_to\\_non-financial\\_businesses.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/loans_to_non-financial_businesses.aspx).

If you have any queries with regards to these data please email [srdd\\_ms@bankofengland.co.uk](mailto:srdd_ms@bankofengland.co.uk) or call 020 7601 5361.

## Technical notes

Background material on the data in this statistical release is provided in the 'About these data' sections in each Part. These notes cover more technical material.

### General

- 1 The Statistical Interactive Database, IADB, ([www.bankofengland.co.uk/boeapps/iadb/NewIntermed.asp](http://www.bankofengland.co.uk/boeapps/iadb/NewIntermed.asp)) provides long runs of statistical data with comprehensive search options and the ability to download these in a variety of formats. The series codes are listed in the tables in this release. Tables providing more detailed breakdowns of data, including quarterly data, are also available in Bank of England *Bankstats* (*Monetary & Financial Statistics*) ([www.bankofengland.co.uk/statistics/Pages/bankstats/default.aspx](http://www.bankofengland.co.uk/statistics/Pages/bankstats/default.aspx)).
- 2 Further information on the definition of 'changes', the treatment of break effects and the calculation of growth rates can be found at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/Changes\\_flows\\_growth\\_rates.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/Changes_flows_growth_rates.aspx). Movements in amounts outstanding can reflect breaks in data series as well as underlying flows. Users requiring data for amounts outstanding series on a break-adjusted basis should refer to [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/Break\\_adjusted\\_levels\\_data.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/Break_adjusted_levels_data.aspx). For changes and growth rates data, users are recommended to refer directly to the appropriate series or data tables.
- 3 Monetary Financial Institutions (MFIs) are defined as UK-resident banks and building societies. Money and credit data, including the industrial analysis of deposits and lending, exclude inter-MFI deposits and lending.
- 4 All tables in this statistical release have UK coverage, meaning that they relate to deposits of, or credit to, UK residents only. Loans include MFIs' loans and advances including under reverse repos, to the non-MFI sector. Deposits includes MFIs' liabilities under repo positions.
- 5 Tables showing data for totals and components of totals may be subject to rounding effects.
- 6 When the 'direct method' of seasonal adjustment is used for a totals series, the seasonally adjusted total need not correspond to the sum of its seasonally adjusted components. Under the alternative 'indirect' method, however, this equality is preserved. The choice of application of the 'direct' or 'indirect' method depends on an assessment of the seasonal adjustment criteria in any particular case. For more details please see Annex A, *Bankstats*, September 2010, 'Seasonal adjustment of quarterly M4 excluding intermediate OFCs (M4ex)', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1sep10.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1sep10.pdf).
- 7 Following a change in the compilation and descriptions of some credit series, data for M4 lending (M4L) and M4 lending excluding the effects of securitisations and loan transfers (M4Lx) are identical for January 2010 data onwards. From the publication of April 2015 data, only one of these series - M4Lx (renamed as M4L) – continued as part of our regular publications. For more details see *Bankstats*, April 2015, 'Changes to the treatment of loan transfers and lending to housing associations', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1apr15.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1apr15.pdf).

### Part one

- 8 In Tables A and D, intermediate other financial corporations (OFCs) are defined as non-bank credit grantors; mortgage and housing credit corporations; bank holding companies; securitisation special purpose vehicles and other activities auxiliary to financial intermediation. Sterling deposits from and sterling loans and advances to 'other financial intermediaries' undertaken with banks and building societies in their own financial group are also included in intermediate OFCs. Banks' and building societies' holdings of securities issued by their own securitisation vehicles are also included in intermediate OFCs.
- 9 In Table B, households are defined as individuals, unincorporated businesses other than unlimited liability partnerships (i.e. sole traders) and non-profit institutions serving households (e.g. charities and universities).
- 10 M4 excluding intermediate OFCs is calculated as households' M4 (seasonally adjusted) plus private non-financial corporations' (PNFCs') M4 (seasonally adjusted) plus non-intermediate OFCs M4 (seasonally adjusted). For more details see [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4adjusted.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4adjusted.aspx).  
M4L excluding lending to intermediate OFCs is calculated as household M4L (seasonally adjusted) plus PNFC M4L (seasonally adjusted) plus non-intermediate OFCs' M4L, (not seasonally adjusted). For more details see [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4lxadjusted.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/m4lxadjusted.aspx). Following a review of the seasonal adjustment method for non-intermediate OFCs, changes were made to the seasonally adjusted measures of M4 and M4 lending. The changes are detailed in *Bankstats*, October 2013, 'Modifications to the seasonally adjusted measures of M4 and M4 lending excluding intermediate OFCs', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1oct13.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1oct13.pdf).

- 11 In Table F, the definition of the industry categories follows the Standard Industrial Classification (SIC 2007) and is consistent with the broad industry categories employed by the Office for National Statistics (ONS). Within 'business services', real estate is defined as the 'buying, selling and renting of own or leased real estate' plus 'real estate activities on a fee or contract basis', corresponding to SIC codes 68.1, 68.2 and 68.3. 'Government and other services' comprise ONS divisions O to T (e.g. as published in the ONS Blue Book 2012), which include total government, health and education, and 'other services'. This table excludes intra-MFI sector balances. More detailed industry-level breakdowns of deposits and loans are provided in *Bankstats* tables section C, at [www.bankofengland.co.uk/statistics/Pages/bankstats/current/default.aspx](http://www.bankofengland.co.uk/statistics/Pages/bankstats/current/default.aspx). For more information on the data classifications, see Parts IV.1 and IV.2 of the Classification of Accounts Guide available at [www.bankofengland.co.uk/statistics/Pages/reporters/default.aspx](http://www.bankofengland.co.uk/statistics/Pages/reporters/default.aspx).

## Part two

- 12 In Table I, approvals secured on dwellings are measured net of cancellations. Additional monthly gross approvals and cancellations data are available on the IADB. See Technical Note 1 for more details.
- 13 The consumer credit data in Tables J and K include input from the Office for National Statistics. Historical data and additional data not presented here can be accessed from [www.ons.gov.uk/ons/index.html](http://www.ons.gov.uk/ons/index.html). Further information on breaks and valuation in consumer credit data can be found at [www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/ltot.aspx](http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/ltot.aspx).
- 14 Student loans are excluded from the measures of consumer credit presented in this statistical release. Data on UK student loans are published on an annual basis by the Student Loans Company, see [www.slc.co.uk/statistics.aspx](http://www.slc.co.uk/statistics.aspx). More information is provided in *Bankstats*, July 2012, 'A new measure of consumer credit', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1jul12.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1jul12.pdf).
- 15 The definition of lending to individuals presented in this statistical release does not include lending to housing associations. For further details see *Bankstats*, April 2015, 'Changes to the treatment of loan transfers and lending to housing associations', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1apr15.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1apr15.pdf).

## Part three

- 16 Table L shows available data for finance raised by UK PNFCs. The scope of this table includes sterling and foreign currency loans from MFIs, and finance raised through the issuance of sterling and foreign currency equity, bonds and commercial paper in capital markets. Certain sources of finance of PNFCs will be outside the scope of available data for this table, for example, loans advanced by non-UK resident banks or privately raised capital.
- 17 Tables M and N cover MFIs' loans to UK non-financial businesses split by business size. The definition of 'non-financial businesses' is consistent with the non-financial industry sectors presented in Table F. Gross lending is defined as loans and advances (including claims made under sale and repurchase agreements) and finance leases granted to UK businesses. More information on the data sources underlying these tables is provided in *Bankstats*, March 2012, 'Lending to Businesses – a new data source', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art2mar12.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art2mar12.pdf).
- 18 A broad description of the lending to businesses measures in Tables C, L, and M and N and the main differences between them is provided in *Bankstats*, August 2014, 'Measures of lending to UK businesses', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art1sep14.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art1sep14.pdf). A summary of the known available data on measures of lending to UK small and medium-sized enterprises is provided in *Bankstats*, January 2015, 'Data on lending to UK SMEs', available at [www.bankofengland.co.uk/statistics/Documents/ms/articles/art2jan15.pdf](http://www.bankofengland.co.uk/statistics/Documents/ms/articles/art2jan15.pdf).