



NOT FOR PUBLICATION UNTIL 09:30 ON 30 MARCH 2009

Lending to individuals: February 2009

The increase in **total net lending to individuals** in February (£1.3 billion) was higher than the January increase, but below the previous six-month average (Table A). The twelve-month growth rate continued to fall, by 0.5 percentage points to 2.6%, and the three-month annualised growth rate was unchanged at 1.3%.

Within the total, the increase in **net lending secured on dwellings** (£1.5 billion) was higher than the January increase and the previous six-month average (Table A). The twelve-month growth rate continued to fall, by 0.5 percentage points to 2.4%. The three-month annualised growth rate rose by 0.2 percentage points to 1.5%. The **number of loans approved for house purchase** (37,937) was higher than in January and the previous six-month average. Approvals for **remortgaging** (32,633) and for **other purposes** (31,372) were lower than in January and the previous six-month averages (Table B).

Consumer credit declined by a net £0.2 billion, weaker than the £0.2 billion net increase in January and below the previous six-month average (Table A). **Net credit card lending** increased by £0.2 billion and **net other loans and advances** fell by £0.4 billion. The annual growth rate of consumer credit continued to fall, to 3.4%; the three-month annualised growth rate fell by 1.5 percentage points, to 0.1%.

Table A: Net lending to individuals ^(a)

Seasonally adjusted

		Total			Secured on dwellings			Consumer credit ^(b)		
		Change £ billions	Growth rates Per cent		Change £ billions	Growth rates Per cent		Change £ billions	Growth rates Per cent	
			1m	12m		1m	12m		1m	12m
2008	Nov	1.5	0.1	4.1	0.9	0.1	3.9	0.6	0.3	5.1
	Dec	2.1	0.1	3.6	2.0	0.2	3.4	0.2	0.1	4.9
2009	Jan	1.2	0.1	3.1	1.1	0.1	2.9	0.2	0.1	4.5
	Feb	1.3	0.1	2.6	1.5	0.1	2.4	-0.2	-0.1	3.4
Previous 6m average		1.5			1.1			0.4		
Amounts outstanding		1458.2			1226.6			231.7		

(a) Data in **bold italics** are where the current estimate of the change differs by more than 0.2 per cent of the underlying level or the growth rate differs by 0.2 percentage points or more from the most recent published estimate. There are no revisions above the thresholds on this occasion.

(b) See Notes to Editors 4.

Table B: Approvals secured on dwellings ^(a)

Seasonally adjusted

		Total ^(b)		House purchase		Remortgaging		Other	
		Value £ billions	Number	Value £ billions	Number	Value £ billions	Number	Value £ billions	Number
		2008	Nov	10.1	101,018	3.2	27,330	5.3	41,771
	Dec	8.8	100,154	3.6	32,082	4.5	35,644	0.9	32,428
2009	Jan	9.1	98,518	3.8	31,791	4.2	33,924	0.9	32,803
	Feb	9.4	101,942	4.5	37,937	3.9	32,633	0.9	31,372
Previous 6m average		11.8	118,684	3.8	31,495	7.0	52,780	1.0	34,409

(a) Approvals secured on dwellings are measured net of cancellations. From January 2008 additional monthly gross approvals and cancellations data are available on the Bank's Statistical Interactive Database. The database can be accessed at www.bankofengland.co.uk/mfsd/iadb. The additional series can be downloaded by clicking on "Tables", "Money and Lending", "Monthly lending secured on dwellings: gross approvals and cancellations, not seasonally adjusted". All series for numbers of approvals are from now on shown in actual numbers, rather than in thousands.

(b) Owing to the method of seasonal adjustment of these series, they may not equal the sum of their component breakdown.

Chart 1: Growth rates of seasonally adjusted lending secured on dwellings

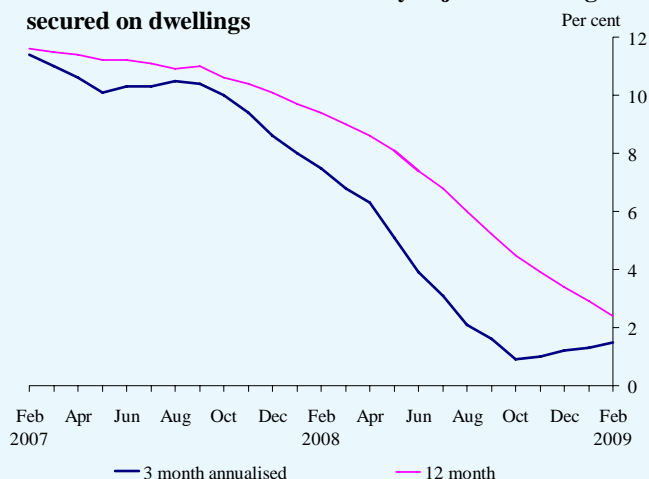
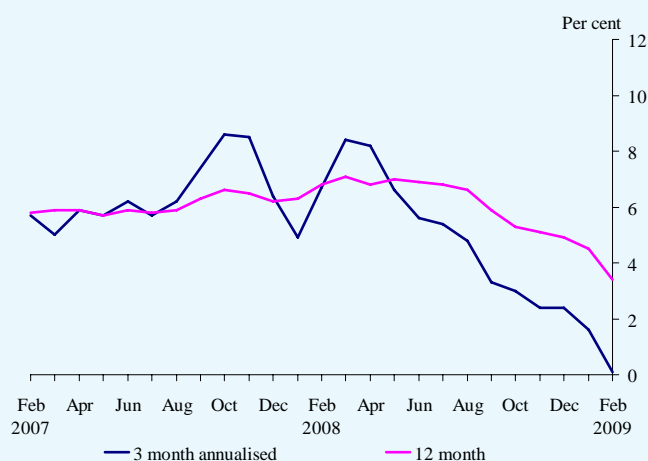


Chart 2: Growth rates of seasonally adjusted consumer credit



Notes to Editors

- 1 Full data on lending to individuals are available in Table A5 of Bank of England *Monetary and Financial Statistics* (www.bankofengland.co.uk/statistics/ms/current); these data are consistent with M4 lending, but are more comprehensive (as they include lending by institutions other than banks and building societies). Further information on the definitions of lending to individuals and calculations of growth rates are shown separately.
- 2 The consumer credit data include input from the Office for National Statistics. These data, and additional data not presented here, can be accessed free-of-charge from the Time Series data services at the National Statistics website www.statistics.gov.uk/statbase/tsdintro.asp
- 3 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. The additional tables, shown separately, illustrate the codes for each series which can be used for downloading long runs from the database.
- 4 Consumer credit consists of credit card lending and other loans and advances. Other loans and advances include loans made through Government student support schemes (currently through the Student Loans Company). From the academic year 2006/07 onwards, tuition fee loans were made available to new students affected by variable fees (fees charged at a higher rate than the previous fixed level fees) and also to those continuing students who were not entitled to 100% tuition fee grants and, hence, were paying all or part of their lower fixed level tuition fees. Such loans are made in instalments, mainly paid in February and May. All new entrants in academic year 2007/08 were affected by the variable fee regulations, whilst the corresponding group that had left university was mostly affected by the previous fixed level fees. Hence, the overall level of tuition fee loans rose significantly in 2007/08. It is likely a similar increase will take place in 2008/09. Further information on Government student support schemes can be found at www.slc.co.uk/statistics/national_statistics.html