



NOT FOR PUBLICATION UNTIL 09:30 ON 29 JUNE 2009

Lending to individuals: May 2009

The increase in **total net lending to individuals** in May (£0.6 billion) was lower than both the April increase (£1.1 billion) and the previous six-month average (Table A). The twelve-month growth rate continued to fall, by 0.3 percentage points to 1.4%, and the three-month annualised growth rate also fell by 0.3 percentage points, to 0.6%.

Within the total, the increase in **net lending secured on dwellings** (£0.3 billion) was lower than both the April increase (£0.9 billion) and the previous six-month average (Table A). The twelve-month growth rate fell further, by 0.2 percentage points to 1.3%. The three-month annualised growth rate fell to 0.6%. The **number of loans approved for house purchase** (43,414) was higher than in April and higher than the previous six-month average. Approvals for **remortgaging** (30,984) and for **other purposes** (27,933) were lower than in April and below the previous six-month averages (Table B).

Consumer credit increased by a net £0.3 billion, in line with the previous six-month average (Table A). **Credit card lending** increased by a net £0.2 billion and **other loans and advances** increased by a net £0.1 billion. The annual growth rate of consumer credit continued to fall, to 2.3%; the three-month annualised growth rate increased by 0.3 percentage points to 0.9%.

Table A: Net lending to individuals ^(a)
Seasonally adjusted

		Total			Secured on dwellings			Consumer credit ^(b)		
		Growth rates			Growth rates			Growth rates		
		Change	Per cent		Change	Per cent		Change	Per cent	
		£ billions	1m	12m	£ billions	1m	12m	£ billions	1m	12m
2009	Feb	1.5	0.1	2.6	1.4	0.1	2.4	0.1	0.0	3.6
	Mar	0.6	0.0	2.1	0.6	0.0	1.9	0.0	0.0	3.1
	Apr	1.1	0.1	1.7	0.9	0.1	1.5	0.2	0.1	2.8
	May	0.6	0.0	1.4	0.3	0.0	1.3	0.3	0.1	2.3
Previous 6m average		1.3			1.1			0.3		
Amounts outstanding		1459.0			1226.3			232.7		

(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	Number	Value	Number	Value	Number	Value	Number
		£ billions		£ billions		£ billions		£ billions	
2009	Feb	9.2	101,650	4.5	38,280	4.0	31,933	0.9	31,436
	Mar	9.5	102,117	4.7	40,145	3.9	32,016	0.9	29,955
	Apr	10.0	103,086	5.1	43,191	3.9	31,701	0.8	28,195
	May	10.2	102,330	5.4	43,414	3.9	30,984	0.8	27,933
Previous 6m average		9.5	101,217	4.2	35,670	4.3	34,346	0.9	31,201

(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

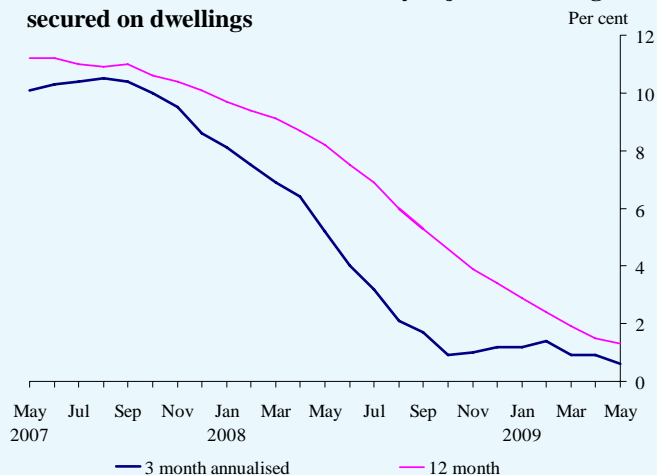
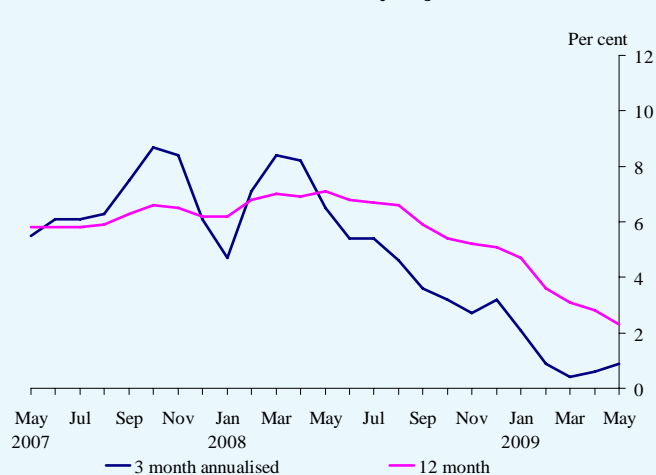


Chart 2: Growth rates of seasonally adjusted consumer credit



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, and again in 2008/09. Further information on Government student support schemes can be found at www.slc.co.uk/statistics/national_statistics.html