



BANK OF ENGLAND

Mark Carney
Governor

Andrew Tyrie MP
Chairman of the Treasury Committee
House of Commons, Committee Office
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28 November 2013

Dear Andrew,

At Tuesday's *Inflation Report* Treasury Committee hearing I said I would send the Committee the household debt to income data to which I referred during an exchange with John Mann. These data are provided in the attached note.

Yours,
Mark

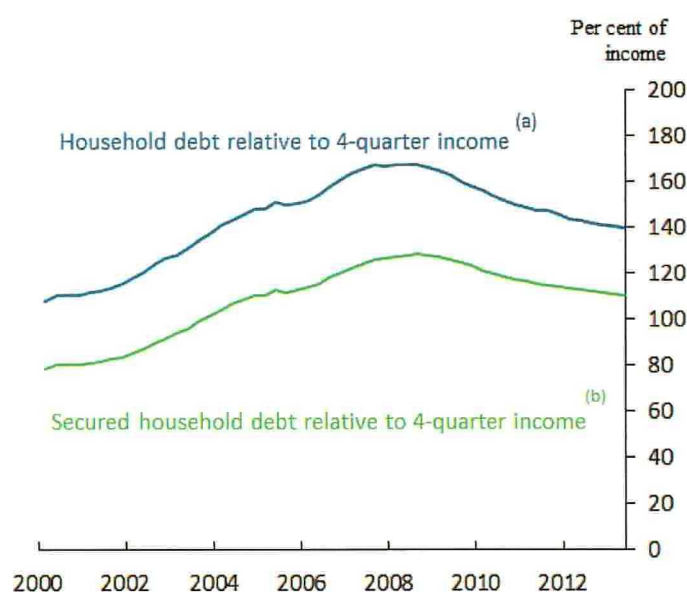
UK HOUSEHOLD DEBT TO INCOME RATIOS

The table and chart below show data for the total household debt to income ratio, and the secured household debt to income ratio. The data shown are as used in Chart 2.28 of the June *Financial Stability Report*, and Chart 3.32 of the November *Financial Stability Report* respectively.

| | UK household debt relative to 4-quarter income ^(a) | Household secured debt relative to 4-quarter income ^(b) |
|---------|---|--|
| 2007 Q1 | 163.6 | 122.2 |
| Q2 | 165.4 | 124.0 |
| Q3 | 167.0 | 125.9 |
| Q4 | 166.8 | 126.8 |
| 2008 Q1 | 167.2 | 127.4 |
| Q2 | 167.1 | 127.8 |
| Q3 | 167.0 | 128.4 |
| Q4 | 165.8 | 128.0 |
| 2009 Q1 | 164.7 | 127.4 |
| Q2 | 162.6 | 126.2 |
| Q3 | 159.7 | 124.8 |
| Q4 | 158.0 | 123.4 |
| 2010 Q1 | 155.9 | 120.9 |
| Q2 | 153.4 | 119.6 |
| Q3 | 151.7 | 118.4 |
| Q4 | 149.8 | 117.3 |
| 2011 Q1 | 148.3 | 116.4 |
| Q2 | 147.1 | 115.4 |
| Q3 | 147.0 | 115.0 |
| Q4 | 145.3 | 114.1 |
| 2012 Q1 | 143.6 | 113.3 |
| Q2 | 142.7 | 112.8 |
| Q3 | 141.8 | 112.2 |
| Q4 | 141.0 | 111.5 |
| 2013 Q1 | 140.1 | 111.0 |
| Q2 | 139.5 | 110.5 |

^{a)} Households' and non-profit institutions' total financial liabilities as a percentage of a four-quarter moving sum of their disposable income.

^{b)} Mortgage debt includes loans by UK banks and other non-bank lenders; income is gross disposable income adjusted for Financial Intermediation Services Indirectly Measured.



Sources: HM Treasury, ONS and Bank of England calculations

(a) Households' and non-profit institutions' total financial liabilities as a percentage of a four-quarter moving sum of their disposable income.

(b) Mortgage debt includes loans by UK banks and other non-bank lenders; income is gross disposable income adjusted for Financial Intermediation Services Indirectly Measured.