

FOR IMMEDIATE RELEASE

European Consumer Credit Market Sees Consolidated Growth in 2014

BRUSSELS – 2 June 2015 – European consumer credit providers, represented through Eurofinas¹, granted new loans worth €356.2 billion in 2014, an increase of 7.7% compared to 2013². The results of the Eurofinas 2014 Annual Survey show increases in new business across all lending categories and especially in the car finance market, with particularly strong growth in new cars for both consumers and businesses. Additionally, credit for commercial vehicles sped up to double digit growth while personal loans and non-automotive point of sale credit also experienced healthier market conditions.

Total new consumer credit lending³ showed gains in new business financed of 6.0% in 2014. Industrial credit and mortgages contribute a smaller proportion of total new business, but both charted strong growth of 8.3% and 19.6% respectively. Notably, this is the first time mortgages have experienced growth in the Annual Survey since 2011.

In the consumer credit lending category, personal loans contribute around a quarter of new credit granted in 2014 and revolving credit just over a third. Personal loans grew in 2014 by 4.6% and revolving credit grew for the first time in seven years, increasing by 3.3%. A category that continued to grow was non-automotive point of sale, with an increase in 2014 of 3.4%.

The consumer vehicle financing business continued to be an area of positive developments in 2014, with new car business increasing by 13.3% and used cars by 8.2%. The other vehicle category (motorbikes, caravans etc.) also increased, showing 9.3% growth. Strong growth in new lending was similarly seen in new business cars, with an increase of 12.0%, while commercial vehicles enjoyed 10.2% growth. Used business vehicles were the only category to exhibit negative growth, although at a lesser rate than previously, dropping by -1.8%.

Aggregate figures for 2014 show recovering market conditions and improvements can be seen across almost all Eurofinas Members' national markets. Romania and Portugal are the highest performers in new consumer credit lending, with growth rates exceeding 20%. Many large markets such as Germany and the UK also experienced strong growth, contributing to the well performing European figures. Only a small minority of countries experienced declines in their new consumer credit business.

Valentino Ghelli, Chairman of Eurofinas, commented that "Results for 2014 reflect the fact that consumption saw a strong recovery in most European economies in 2014, on the back of improved consumer confidence and low interest rates. The vehicle finance sphere is once again a particularly strong performer, although it is encouraging to see good growth across all categories of lending. Going into 2015 consumer spending is expected to remain a driver of growth, with the European Commission forecasting GDP growth of 1.7% for the EU and 1.3% for the euro area. Consumer credit institutions can therefore expect to face a cautiously optimistic business environment this year, as domestic demand goes from strength to strength."

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¹The following Eurofinas members took part in the survey: UPC/BVK (BE), CLFA (CZ), BFACH (DE), Finans og Leasing (DK), ASNEF (ES), FKL (FI), ASF (FR), ASSOFIN (IT), LBA (LT), APSF (MA), VFN (NL), FINFO (NO), ASFAC (PT), ALB (RO), AFINA (SE), FLA (UK).

² The growth rates shown are adjusted to exclude the impact of exchange rate fluctuations.

³ Total consumer credit includes consumer credit for personal consumption (including personal loans, revolving credit and non-automotive point of sale finance) and consumer point of sale vehicle finance.



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About Eurofinas

Eurofinas, the European Federation of Finance House Associations, is the voice of the specialised consumer credit providers in the EU. As a Federation, Eurofinas brings together associations throughout Europe that represent finance houses, specialised banks, captive finance companies of car, equipment, etc. manufacturers and universal banks. The scope of products covered by Eurofinas members includes all forms of consumer credit products such as personal loans, linked credit, credit cards and store cards. Consumer credit facilitates access to assets and services as diverse as cars, studies, furniture, electronic appliances, etc. Eurofinas members financed more than 356 billion euro worth of new loans during 2014 with outstandings reaching 860 billion euros at the end of the year.

More information on Eurofinas activities available at www.eurofinas.org