

Biannual Survey 2019

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European Consumer Credit Market Shows Moderate Growth in First Half of 2019

BRUSSELS – 3 December 2019 – European consumer credit providers represented through Eurofinas¹ granted new loans worth €235.1 billion in the first half of 2019, an increase of 0.6% compared to the same period in 2018² according to the results of the Eurofinas Biannual Survey 2019. Total new consumer credit lending³, which accounts for the majority of new Eurofinas lending (74%), experienced slight growth of 1.7%.

Moderate growth was observed across all personal consumption categories, except for non-automotive credit at the point of sale. Personal loans had the highest growth, increasing by 4% compared to the first semester of last year. Revolving credit expanded at a moderate pace of 1.6%. Non-automotive credit at the point of sale remained relatively stable, falling by only -0.2%.

The consumer car lending market only grew slightly by 0.4% in the first half of 2019, with used cars performing better than new cars. Loans for new consumer vehicles declined by -4.1%, whereas loans for used cars enjoyed an increase of 4.7%. There were geographical variations in the growth of consumer car lending, ranging from double-digit drops to single-digit gains. When it comes to the car finance market for business vehicles, used cars also outperformed new cars in the first half of this year. The former expanded by 9.5% compared to the same period last year, while the latter contracted by -13.5%.

The aggregate figures are reflected by the varied and moderate performance across all national markets. Morocco, Italy, and Spain performed fairly well, with growth in consumer credit above 5%. By contrast, Belgium, Czech Republic and Norway saw a decline in growth between -5% and -3% in their consumer lending markets.

New business moderately improved in Q2 2019 when compared to the first quarter of the year. This subdued trend in growth will be likely to remain stable in the second half of the year. Although growth in household consumption is expected to edge down for the second semester of 2019, it is forecast to increase marginally in 2020, thus, making it likely that consumer credit lending will continue to experience some moderation next year.⁴

¹ The following Eurofinas members took part in the survey: UPC/BVK (BE), CLFA (CZ), BFACH (DE), Finans og Leasing (DK), ASNEF (ES), ASF (FR), ASSOFIN (IT), LVLKA (LT), APSF (MA), FINFO (NO), ASFAC (PT), AFINA (SE), AFI (TR), 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.

⁴ European Commission Economic Forecast – Autumn 2019.

1. EUROPEAN TRENDS
Breakdown Per Loan Type, H1 2019

LOAN TYPE	NEW CREDIT GRANTED	
	in mio EURO	% change adjusted for exchange rate impact
CONSUMER CREDIT FOR PERS. CONSUMPTION	118 053	2.3%
Personal loans	47 722	4.0%
Revolving credit including credit cards	54 141	1.6%
- Of which, credit cards	19 830	11.2%
Credit at the point of sale	16 190	-0.2%
- Consumer goods	13 974	-1.5%
- Other	2 216	8.8%
CAR FINANCE	69 459	0.2%
New cars	31 640	-6.0%
- Business	5 717	-13.5%
- Consumer	25 923	-4.1%
Used cars	29 566	4.9%
- Business	2 489	6.6%
- Consumer	27 077	4.7%
Commercial vehicles (excl. cars for business use)	5 425	13.8%
Other vehicles (motorcycles, caravans, ...)	2 828	3.6%
INDUSTRIAL CREDIT	13 503	-0.8%
HOME OR REAL ESTATE MORTGAGES	34 124	-3.5%
TOTAL	235 139	0.6%

Notes:

Data shown here are those contributed to Eurofinas by its Member Associations in the context of the 2019 Biannual Survey. Data can include estimates provided by Member Associations. Data represents the share of the total national market represented by each association unless otherwise specified.

Data were provided in local currency. The exchange rates used are half-yearly average rates taken from Eurostat and can be found on the last page.

The data for 2018 are those provided by Eurofinas Member Associations in the 2018 Biannual Survey, except when changes in membership or major data modifications warranted the restating of 2018 figures.

Growth rates shown are calculated based on a homogenous sample of members reporting in both the 2018 and 2019 Biannual Surveys. Sweden is excluded from the European totals as their growth rates do not represent market developments.

Eurofinas members not reporting in this survey: Finland - Federation of Finnish Financial Services, Netherlands - Vereniging van Financieringsondernemingen in Nederland, Poland - Konferencja Przedsiębiorstw Finansowych w Polsce

2. TOTAL NATIONAL CONSUMER CREDIT

Consumer credit for personal consumption & consumer vehicles, H1 2019

Member	New credit granted	
	in mio EURO	% change adjusted for exchange rates
BE	5 742	-5.32%
CZ	483	-4.54%
DE	32 556	4.15%
DK	2 091	2.74%
ES	17 182	5.33%
FR	16 986	-0.14%
IT	32 892	8.27%
LT	74	-2.06%
MA	859	10.02%
NO	3 608	-3.09%
PT	3 086	2.10%
SE ¹	431	n.a.
TR	654	-49.08%
UK	57 667	-1.19%
TOTAL¹	173 881	1.69%

¹ Sweden's growth rates do not represent market developments and its figures are thus excluded from the European totals

3. MEMBER ASSOCIATIONS' MARKET SHARES
Consumer Credit Outstandings - mio€, H1 2019

Member	Eurofinas Member Market	Total National Market for Cons Credit ¹	Eurofinas Member Share
BE	25 358	26 114	97.1%
CZ	1 315	10 045	13.1%
DE	146 335	235 851	62.0%
DK	10 601	26 859	39.5%
ES	38 193	94 947	40.2%
FR	71 666	196 635	36.4%
IT	99 671	135 610	73.5%
LT	180	1 175	15.4%
MA	4 935	10 002	49.3%
NO	20 578	n.a.	n.a.
PT	8 922	26 671	33.5%
SE	1 603	36 578	4.4%
TR	1 834	36 723	5.0%
UK	129 212	255 005	50.7%
TOTAL	560 403	1 092 213	49.4%²

¹ National market figures are estimates provided by the relevant Member Association. These may differ from Eurostat or national central bank figures, for example in cases where these exclude non-MFIs from their calculations.

² excluding NO

4. EXCHANGE RATES

Country		H1 2019	H1 2018
BE	Belgium	1	1
CZ	Czech Republic	25.69	25.50
DE	Germany	1	1
DK	Denmark	7.47	7.45
ES	Spain	1	1
FR	France	1	1
IT	Italy	1	1
LT	Lithuania	1	1
MA	Morocco	10.87	11.21
NO	Norway	9.73	9.59
PT	Portugal	1	1
SE	Sweden	10.5	10.2
TR	Turkey	6.36	4.96
UK	United Kingdom	0.87	0.88

Notes:

These rates are a half-yearly average and are taken from Eurostat's New Cronos database except for Morocco where the rate provided is an average of end of month rates taken from the Al-Maghrif Bank

Rates in the table are provided in the following way: 1 Eur = x Local Currency, for instance 1 Eur = 0.87 GBP in H1 2019