

Biannual Survey 2018

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European Consumer Credit Market Shows Broad-Based Growth in First Half of 2018

European consumer credit providers represented through Eurofinas¹ granted new loans worth €235.7 billion in the first half of 2018, an increase of 7.4% compared to the same period in 2017² according to the results of the Eurofinas Biannual Survey 2018. Total new consumer credit lending³, which accounts for the majority of new Eurofinas lending (73%), experienced strong growth of 9.7%.

Growth was observed across all personal consumption categories. Personal loans increased by 8.6%, showing moderated growth compared to last year, while revolving credit was the strongest performer at 9.8%. Non-automotive credit at the point of sale also grew well, expanding by 6.7%.

The consumer car lending market enjoyed double digit growth in the first half of 2018. Loans for new consumer vehicles grew by 10.0%, while loans for used cars increased by 13.0%. This increase in consumer car lending was observed all of the countries covered by the Eurofinas membership and was especially strong in Portugal & Czech Republic. The activity in the car finance market for business vehicles was also strong in the first half of this year, expanding by 9.5% for new cars and 9.2% for used cars.

The aggregate figures are reflected by consistent good performance across all national markets. Lithuania, Turkey and Portugal were exceptionally strong, with growth in consumer credit above 20%, and Norway, Spain and Morocco all saw growth above 10% in their consumer lending markets. The only countries with growth rates under 5% are France and Czech Republic.

New business improved in Q2 2018 when compared to the first quarter of the year, however this positive trend has likely reached its peak and growth rates will be lower in the second half of the year. Growth in household consumption is expected to slow for the second semester of 2018, continuing to decline from previous highs in 2019, which makes it likely that consumer credit lending will also see some moderation next year.⁴

¹The 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), ALB (RO), AFINA (SE), FLA (UK).

² The growth rates shown are adjusted to exclude the impact of exchange rate fluctuations. On an unadjusted basis, Eurofinas members' overall new lending increased by 5.3%.

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.

1. EUROPEAN TRENDS
Breakdown Per Loan Type, H1 2018

LOAN TYPE	NEW CREDIT GRANTED		
	in mio EURO	% change	
		Unadjusted for exchange rates	Adjusted for exchange rates
CONSUMER CREDIT FOR PERS. CONSUMPTION	116 233	7.9%	8.9%
Personal loans	44 215	8.3%	8.6%
Revolving credit including credit cards	55 271	8.6%	9.8%
- Of which, credit cards	20 041	9.1%	9.1%
Credit at the point of sale	16 747	4.7%	6.7%
- Consumer goods	13 291	5.4%	7.7%
- Other	3 456	2.0%	3.0%
CAR FINANCE	70 666	8.0%	10.2%
New cars	35 087	7.3%	9.9%
- Business	7 310	3.4%	9.5%
- Consumer	27 777	8.4%	10.0%
Used cars	28 373	11.0%	12.7%
- Business	2 566	6.6%	9.2%
- Consumer	25 807	11.4%	13.0%
Commercial vehicles (excl. cars for business use)	4 466	-1.9%	-0.3%
Other vehicles (motorcycles, caravans, ...)	2 740	6.0%	7.3%
INDUSTRIAL CREDIT	13 447	1.1%	2.1%
HOME OR REAL ESTATE MORTGAGES	35 365	-0.5%	-0.5%
TOTAL	235 711	6.2%	7.4%

Notes:

Data shown here are those contributed to Eurofinas by its Member Associations in the context of the 2018 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 2017 are those provided by Eurofinas Member Associations in the 2017 Biannual Survey, except when changes in membership or major data modifications warranted the restating of 2017 figures.

Growth rates shown are calculated based on a homogenous sample of members reporting in both the 2017 and 2018 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 2018

Member	New credit granted		
	in mio EURO	% change	
		Unadjusted for exchange rates	Adjusted for exchange rates
BE	6 065	8.13%	8.13%
CZ	634	9.31%	4.10%
DE	31 981	9.54%	9.54%
DK	2 040	7.21%	7.37%
ES	17 322	14.46%	14.46%
FR	17 007	2.95%	2.95%
IT	30 379	8.58%	8.58%
LT	75	32.80%	32.80%
MA	757	6.35%	10.42%
NO	3 794	9.95%	14.86%
PT	2 753	22.68%	22.68%
SE ¹	346	n.a.	n.a.
TR	1 648	-1.40%	24.01%
UK	58 102	7.54%	9.94%
TOTAL¹	172 557	8.47%	9.66%

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 2018

Member	Eurofinas Member Market	Total National Market for Cons Credit ¹	Eurofinas Member Share
BE	24 796	26 071	95.1%
CZ	1 623	7 451	21.8%
DE	123 999	238 144	52.1%
DK	9 660	26 880	35.9%
ES	38 065	85 100	44.7%
FR	71 148	186 715	38.1%
IT	96 398	124 307	77.5%
LT	167	1 047	16.0%
MA	4 539	9 269	49.0%
NO	19 798	n.a.	n.a.
PT	6 958	25 777	0
SE	1 339	35 364	3.8%
TR	3 316	47 567	7.0%
UK	122 551	241 961	50.6%
TOTAL	524 356	1 055 652	47.8%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 2018	H1 2017
BE	Belgium	1	1
CZ	Czech Republic	25.50	26.78
DE	Germany	1	1
DK	Denmark	7.45	7.44
ES	Spain	1	1
FR	France	1	1
IT	Italy	1	1
LT	Lithuania	1	1
MA	Morocco	11.21	10.80
NO	Norway	9.59	9.18
PT	Portugal	1	1
SE	Sweden	10.2	9.6
TR	Turkey	4.96	3.94
UK	United Kingdom	0.88	0.86

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-Maghrib Bank

Rates in the table are provided in the following way: 1 Eur = x Local Currency, for instance 1 Eur = 0.88 GBP in H1 2018