

FOR IMMEDIATE RELEASE

European Consumer Credit Market on a Recovery Path in 2021

BRUSSELS – 7 June 2022 – In 2021, European consumer credit providers, represented through Eurofinas¹, granted new loans worth €449.2 billion, a growth of 12.8%² compared to 2020. The results of the Eurofinas 2021 Annual Survey show increases in new business across all lending categories.

Total new consumer credit lending³ showed growths in new business financed of 11.4% in 2021. Both industrial credit and mortgages contribute a smaller share of total new business, with both experiencing an increase of 10.2% and 16.0% respectively.

In the consumer credit lending category, personal loans and revolving credit each represented over a quarter (at 29%) of new credit granted in 2021. Personal loans grew by 17.0% while revolving credit exhibited an increase of 10.7%. To a lesser extent, new credit granted via non-automotive point of sale was up by 3.4%.

Consumer vehicle finance also experienced growths in new credit granted, with used cars performing better than new cars. While the former grew by 14.3%, the latter showed growth of 5.3%. The other vehicle category (motorbikes, caravans etc.) expanded by 13.1%. In contrast to the consumer car financing sector, used business car lending grew by 18.8% but a higher rise of 28.5% was seen for new business cars. Commercial vehicles were also up by 18.9%.

Aggregate figures for 2021 showed that most of Eurofinas members' national consumer credit markets saw positive results, except for the Netherlands, Germany, Denmark, and Portugal. Those countries recorded relatively moderate single-digit declines in 2021 compared to 2020. By contrast, half of the reporting countries enjoyed double-digit growths, with new credit granted expanding between 10% and 40%.

Tham Giang, Advisor in Statistics and Economic Affairs at Eurofinas, commented that *“Consumer credit growth improved in 2021 thanks to lifted restrictions, vaccination programs across Europe and rebounding consumer confidence. Although new credit granted was on a recovery path, most of the markets have not yet returned to their pre-pandemic levels. Going into 2022, the European economic outlook has weakened markedly due to soaring energy prices and high inflation.⁴ This year will clearly present a challenging business environment for consumer finance institutions across Europe with high consumer uncertainty. Although the near-term outlook for private investment remains subdued, what is clear is the stronger need for European consumers to invest in more energy-efficient purchases. Thus, European consumer credit providers will need to leverage their strengths and stand ready to assist their customers through their green transitions.”*

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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), LBA (LT), APSF (MA), VFN (NL), FINFO (NO), ASFAC (PT), Finansbolagens Förening (SE), AFI/FKB (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 Economic Forecast, Spring 2022.



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About Eurofinas

Eurofinas, the European Federation of Finance House Associations, is the voice of specialised consumer credit providers in Europe. 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, point of sale credit, credit cards and store cards. Consumer credit facilitates access to assets and services as diverse as cars, education, furniture, electronic appliances, etc. Eurofinas members financed around €450 billion worth of new loans during 2021 with outstanding portfolio reaching almost €1.2 trillion euros at the end of the year.

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