

Annual Survey 2019

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The following members contributed to the Eurofinas 2019 Annual Survey: BE, CZ, DE, DK, ES, FR, IT, LI, MA, NL, NO, PT, TR and UK.

Total New Lending by Eurofinas members increased by 3.4% in 2019 compared to 2018.

Consumer Credit for Personal Consumption increased by 3.1% in 2019 compared to 2018.

Vehicle Finance increased by 1.7% in 2019 compared to 2018.

Industrial Credit increased by 4.3% in 2019 compared to 2018.

Mortgage Credit increased by 6.8% in 2019 compared to 2018.

Note: Growth rates provided above are adjusted to exclude the impact of exchange rate fluctuations.

European Consumer Credit Market Shows Moderate Growth in 2019

European consumer credit providers, represented through Eurofinas¹, granted new loans worth €462.7 billion in 2019, an increase of 3.4%² compared to 2018. The conservative growth trend observed in the first half of 2019 appeared to remain stable in the second half of the year. The results of the Eurofinas 2019 Annual Survey show increases in new business across all lending categories, except for both consumer and business new vehicle finance, which experienced declines.

Total new consumer credit lending³ showed gains in new business financed of 2.7% in 2019. Both industrial credit and mortgages contribute a smaller proportion of total new business, with growth of 4.3% and 6.8% respectively.

In the consumer credit lending category, personal loans accounted for just over a quarter of new credit granted in 2019, while revolving credit contributed around a third. Personal loans continued to expand in 2019 but at a lower level, increasing by 4.6%. Both revolving credit and non-automotive point of sale shared moderate improvements in growth, increasing by 2.2% and 2.0%, respectively.

The consumer vehicle financing business showed a divergence in growth between new and used cars in 2019, with a drop of -2.7% for the former but an increase of 4.9% for the latter. Commercial vehicles were the best performer last year, enjoying the highest growth rate among all lending categories of 8.6%. The other vehicle category (motorbikes, caravans etc.) also moderately increased, showing 3.3% growth.

Aggregate figures for 2019 showed mixed growth levels across all Eurofinas Members' national markets. Morocco and the Netherlands were the greatest performers in new consumer credit lending, with slightly more than 10% in aggregate growth rates. Nearly half of reporting countries experienced increases of between 2% and 6%, including significant markets like Italy and Germany. Markets that suffered contractions in new consumer credit include Belgium, Norway and Turkey.

Hayley McEwen, Senior Advisor in Business Development & Stakeholder Engagement at Eurofinas, commented that *"The subdued growth in the European economy has undoubtedly had an impact on the consumer credit market in 2019. It turned out to be a good year for vehicle finance, with consumers and finance providers capitalising on the relative strength of the used/nearly-new car and commercial vehicle market. Going into 2020, the disruption caused by the Covid-19 pandemic has changed economic prospects markedly.⁴ This year will bring a unique and challenging business environment for consumer credit institutions, with high consumer uncertainty and the path to economy recovery unclear. What is certain, is that European consumer credit providers have proven themselves to be adaptable under challenging circumstances and they will need to continue leveraging their strengths to support their customers at a time when access to finance is crucial for economic recovery."*

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), 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 2020.

EUROPEAN TRENDS
Breakdown Per Loan Type, 2019

| LOAN TYPE | NEW CREDIT GRANTED | |
|---|--------------------|---|
| | in mio EURO | % change adjusted for exchange rate impact |
| CONSUMER CREDIT FOR PERS. CONSUMPTION | 241 663 | 3.1% |
| Personal loans | 94 660 | 4.6% |
| Revolving credit including credit cards | 112 950 | 2.2% |
| Credit at the point of sale | 34 053 | 2.0% |
| - Consumer goods | 29 815 | 1.6% |
| - Other | 4 238 | 4.6% |
| CAR FINANCE | 115 396 | 1.7% |
| New cars | 49 993 | -2.7% |
| - Business | 9 095 | -5.6% |
| - Consumer | 40 898 | -2.0% |
| Used cars | 4 930 | 4.9% |
| - Business | 3 748 | 4.8% |
| - Consumer | 46 512 | 4.9% |
| Commercial vehicles (excl. cars for business use) | 10 213 | 8.6% |
| Other vehicles (motorcycles, caravans, ...) | 4 930 | 3.3% |
| INDUSTRIAL CREDIT | 27 238 | 4.3% ¹ |
| HOME OR REAL ESTATE MORTGAGES | 78 416 | 6.8% |
| TOTAL | 462 713 | 3.4% |

Notes:

Data shown here are those contributed to Eurofinas by its Member Associations in the context of the 2019 Annual 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 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 Annual 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 Annual Surveys.

Eurofinas members not reporting in this survey: Finland - Federation of Finnish Financial Services, Poland - Konferencja Przedsiębiorstw Finansowych w Polsce, Sweden - Finansbolagens Förening

¹ exclude NL

TOTAL NATIONAL CONSUMER CREDIT

Consumer credit for personal consumption & consumer vehicles, 2019

| Member | New credit granted | |
|--------------|--------------------|---|
| | in mio EURO | % change adjusted for exchange rate impact |
| BE | 10 676 | -4.25% |
| CZ | 1 046 | 0.50% |
| DE | 55 332 | 5.92% |
| DK | 3 939 | 4.25% |
| ES | 25 546 | 3.85% |
| FR | 34 818 | 1.94% |
| IT | 64 760 | 5.69% |
| LT | 157 | 4.65% |
| MA | 1 729 | 10.58% |
| NL | 4 662 | 10.68% |
| NO | 6 640 | -10.47% |
| PT | 6 592 | 4.56% |
| TR | 1 626 | -26.83% |
| UK | 116 479 | 1.20% |
| TOTAL | 334 002 | 2.68% |

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

| Member | Eurofinas Member Market | Total National Market for Consumer Credit ¹ | Eurofinas Member Share |
|--------------|-------------------------|--|--------------------------|
| BE | 25 466 | 26 904 | 94.7% |
| CZ | 1 517 | 9 138 | 16.6% |
| DE | 129 167 | 238 009 | 54.3% |
| DK | 10 865 | 64 291 | 16.9% |
| ES | 20 109 | 93 147 | 21.6% |
| FR | 72 621 | 203 853 | 35.6% |
| IT | 103 869 | 139 821 | 74.3% |
| LT | 190 | 1 247 | 15.3% |
| MA | 5 126 | 10 370 | 49.4% |
| NL | 10 743 | na | na |
| NO | 20 433 | na | na |
| PT | 11 880 | 25 540 | 46.5% |
| TR | 1 607 | 42 062 | 3.8% |
| UK | 133 557 | 256 754 | 52.0% |
| TOTAL | 547 150 | 1 111 136 | 46.4%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 figures.

² excluding NO and NL

EXCHANGE RATES

| Country | | 2019 | 2018 |
|---------|----------------|---------|---------|
| BE | Belgium | 1 | 1 |
| CZ | Czech Republic | 25.67 | 25.6469 |
| DE | Germany | 1 | 1 |
| DK | Denmark | 7.4661 | 7.4532 |
| ES | Spain | 1 | 1 |
| FR | France | 1 | 1 |
| IT | Italy | 1 | 1 |
| LT | Lithuania | 1 | 1 |
| MA | Morocco | 10.7786 | 11.0838 |
| NL | Netherlands | 1 | 1 |
| NO | Norway | 9.8511 | 9.5975 |
| PT | Portugal | 1 | 1 |
| TR | Turkey | 6.3578 | 5.7077 |
| UK | United Kingdom | 0.8777 | 0.8847 |

Notes:

These rates are a yearly average and are taken from Eurostat's database except for Morocco where the rate provided is a yearly 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 = 0.8777 GBP in 2019