

Statistical release - 30 November 2009

This statistical release is published by the UK payments industry. It comprises the authoritative facts and figures for the latest quarter.

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Summary of key payment statistics for Q3 2009

Plastic cards

Number of debit cards in issue (end-2008) **76,261** **Number of credit & charge cards in issue (end-2008)** **72,598**

Plastic card transactions

Number of	Q3 2009	Annual rate of growth	Total value of	Q3 2009	Annual rate of growth
Debit card purchases	1.5 bn	8.0%	Debit card purchases	£65.9 bn	6.6%
Credit & charge card purchases	0.5 bn	0.1%	Credit & charge card purchases	£31.6 bn	-1.9%
All plastic card purchases	2.0 bn	5.9%	All plastic card purchases	£97.5 bn	3.7%
Number of	Annual figures (2008)	Annual rate of growth	Total value of	Annual figures (2008)	Annual rate of growth
Debit card purchases	5.5 bn	10.0%	Debit card purchases	£245.4 bn	9.5%
Credit & charge card purchases	2.0 bn	0.7%	Credit & charge card purchases	£126.3 bn	2.0%
All plastic card purchases	7.4 bn	7.4%	All plastic card purchases	£371.6 bn	6.8%

Cash and cheque transactions

Number of	Q3 2009	Annual rate of growth	Total value of	Q3 2009	Annual rate of growth
Cash machine withdrawals	738 mn	0.5%	Cash machine withdrawals	£49.1 bn	-0.3%
Inter-bank cheques cleared	213 mn	-12.4%	Inter-bank cheques cleared	£217 bn	-15.3%
Number of	Annual figures (2008)	Annual rate of growth	Total value of	Annual figures (2008)	Annual rate of growth
¹ Cash payments	22,569 mn	0.7%	¹ Cash payments	£267.1 bn	0.9%
Cash machine withdrawals	2,876 mn	1.4%	Cash machine withdrawals	£192.2 bn	3.1%
¹ Cheque transactions	1,403 mn	-12.3%	¹ Cheque transactions	£1,429 bn	-9.0%
² Inter-bank cheques cleared	1,007 mn	-10.4%	² Inter-bank cheques cleared	£1,076 bn	-7.0%

¹ Quarterly data for cash and cheque transactions are not available. ² This figure does not include inter-branch items.

Automated payments

Number of	Q3 2009	Annual rate of growth	Total value of	Q3 2009	Annual rate of growth
³ Faster Payments	77.1 mn	11.2%	³ Faster Payments	£28.2 bn	12.0%
CHAPS payments	8.1 mn	-8.5%	CHAPS payments	£15,618 bn	-5.8%
Bacs payments	1.4 bn	-0.9%	Bacs payments	£955 bn	0.1%
Number of	Annual figures (2008)	Annual rate of growth	Total value of	Annual figures (2008)	Annual rate of growth
³ Faster Payments	82.8 mn	-	³ Faster Payments	£32.9 bn	-
CHAPS payments	35.8 mn	-2.8%	CHAPS payments	£83,017 bn	6.2%
Bacs payments	5.7 bn	2.0%	Bacs payments	£3,946 bn	6.8%

³ The Faster Payments Service was launched on 27 May 2008. The per cent growth for Q3 2009 relates to a three month period.

A Spending in the UK on debit and credit cards

In the third quarter of 2009 there were 2.01 billion plastic card purchases made in the UK totalling £97.5 billion compared to 1.88 billion purchases totalling £93.4 billion in the third quarter of 2008. The number of purchases was 6.9% higher than in 2008 Q3, and spending was 4.3% higher. Annual growth rates for both the number and value of purchases on plastic cards continued to decline in 2009 Q3, as can be seen in Charts A1 and A2. Spending growth on all plastic cards declined to 3.7% although spending on debit cards grew at 6.6% whilst spending on credit cards was falling by 1.9%.

Plastic card spending in the high street (retail sales) amounted to £47.3 billion in the third quarter of 2009, representing 65.7% of total retail sales, increasing from 63.2% in 2008 Q3. The average monthly plastic card spend in the high street was £15.3 billion, which is reflected in Chart A3; average monthly spending in the high street using debit cards increased to £10.2 billion, representing 67% of the value of high street plastic card spending. Debit cards accounted for 75.0% of all plastic card purchases in 2009 Q3 compared with 73.8% in 2008 Q3.

Seasonally adjusted		Debit cards		Credit cards			All plastic cards		
		Number of purchases	Average purchase value	Number of purchases	Average purchase value	Number of purchases	Value		
		000	£ mn	000	£ mn	000	£ mn		
2003		3,264,514	125,409	38.42	1,919,609	115,178	60.00	5,184,122	240,587
2004		3,701,887	149,138	40.29	1,988,909	121,167	60.92	5,690,795	270,305
2005		4,090,799	169,530	41.44	2,002,872	121,635	60.73	6,093,671	291,165
2006		4,494,718	195,471	43.49	1,948,268	119,959	61.57	6,442,986	315,430
2007	Q1	1,191,448	53,231	44.68	484,758	30,481	62.88	1,676,206	83,712
	Q2	1,224,428	55,614	45.42	486,734	30,655	62.98	1,711,162	86,270
	Q3	1,248,846	56,266	45.05	485,197	30,880	63.64	1,734,043	87,146
	Q4	1,306,416	58,898	45.08	502,072	31,793	63.32	1,808,489	90,691
2008	Q1	1,328,757	59,519	44.79	495,735	31,693	63.93	1,824,492	91,211
	Q2	1,351,553	60,875	45.04	491,646	31,749	64.58	1,843,199	92,624
	Q3	1,387,524	61,645	44.43	493,235	31,776	64.42	1,880,758	93,421
	Oct	459,693	21,589	46.96	163,530	10,392	63.55	623,224	31,981
	Nov	442,971	20,183	45.56	156,006	9,981	63.98	598,977	30,165
Dec	497,266	21,481	43.20	171,935	10,616	61.74	669,201	32,097	
2009	Jan	460,465	20,573	44.68	159,670	10,083	63.15	620,135	30,656
	Feb	469,975	20,948	44.57	160,221	10,132	63.24	630,196	31,080
	Mar	500,212	21,907	43.80	168,834	10,604	62.81	669,046	32,511
	Apr	485,709	21,229	43.71	166,535	10,459	62.81	652,244	31,689
	May	475,025	20,840	43.87	160,804	10,067	62.60	635,828	30,907
	Jun	510,291	22,154	43.41	171,104	10,669	62.35	681,395	32,823
	Jul	493,873	21,516	43.57	168,332	10,498	62.37	662,205	32,015
	Aug	481,397	21,124	43.88	160,837	10,035	62.39	642,234	31,159
	Sep	529,662	23,269	43.93	176,161	11,033	62.63	705,822	34,302

Chart A1

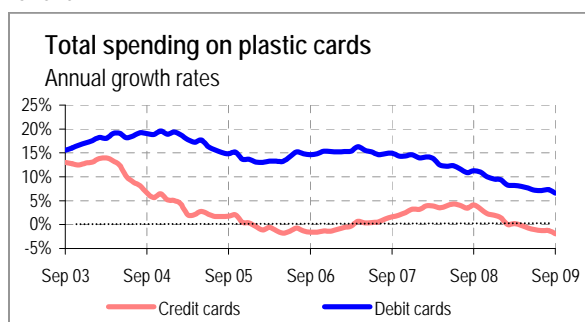


Chart A2

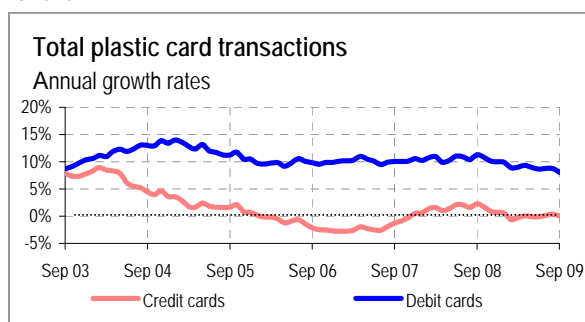
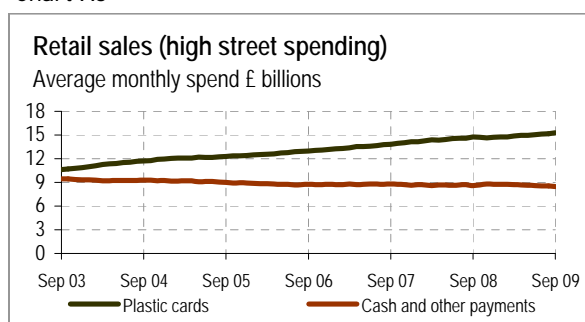


Chart A3



Notes

Section A shows spending in the UK on plastic cards as reported to The UK Cards Association by the banks that process card purchases on behalf of UK merchants, retailers and other service providers. The data include a small proportion of spending using non-UK-issued cards, eg, by tourists, but exclude spending abroad on UK-issued cards. Cash withdrawals from ATMs are not included.

Seasonal adjustment is the process of estimating and removing seasonal effects from a time series in order to more accurately compare consecutive months.

B Credit card lending and repayments

Gross credit card lending to individuals during the third quarter of 2009 amounted to £30.4 billion and repayments were £29.9 billion. Gross lending was 7.5% lower and repayments were 4.7% lower than during the third quarter of 2008 when the figures were £32.8 billion and £31.4 billion respectively.

As a percentage of new lending during 2009 Q3, repayments amounted to 98.4%, a higher percentage than in the corresponding period of 2008 when the figure was 95.7%. Over the past 12 months, repayments have averaged 98.1% compared with 96.4% over the 12 month period to September 2008 - see Chart B1.

Credit card average interest rates have moved gradually lower since 1998, when they were just over 22%, largely in response to competitive pressures, touching a low point in Q1 1998. Since then, although there has been some upward pressure, rates have stabilised at or just below 16%.

Seasonally adjusted		Gross lending		Repayments		Outstanding balances		Average credit card APR	
		£ mn	%	£ mn	%	£ mn	%	£ mn	%
2003		122,951		114,223	92.9%	55,462		15.2	
2004		132,483		122,589	92.5%	65,176		15.4	
2005		131,438		125,284	95.3%	69,210		16.0	
2006		124,596		121,936	97.9%	68,294		16.3	
2007	Q1	30,683		30,247	98.6%	67,626		15.8	
	Q2	30,843		30,618	99.3%	66,921		15.5	
	Q3	31,065		30,205	97.2%	66,932		15.1	
	Q4	32,550		31,456	96.6%	67,070		15.2	
2008	Q1	33,317		32,235	96.8%	67,253		14.8	
	Q2	33,085		31,963	96.6%	67,477		15.5	
	Q3	32,826		31,415	95.7%	66,720		15.6	
	Oct	10,622		10,358	97.5%	66,811		15.6	
	Nov	9,963		9,442	94.8%	66,983		15.6	
2009	Dec	11,259		11,454	101.7%	66,607		15.6	
2009	Jan	9,788		9,592	98.0%	66,633		16.1	
	Feb	10,025		9,828	98.0%	66,577		15.7	
	Mar	10,661		10,287	96.5%	66,498		15.7	
	Apr	10,359		10,049	97.0%	66,480		15.7	
	May	9,743		9,642	99.0%	66,203		15.9	
	Jun	10,513		10,307	98.0%	65,891		15.9	
	Jul	10,201		10,214	100.1%	65,032		15.9	
	Aug	9,890		9,632	97.4%	64,981		15.9	
	Sep	10,261		10,102	98.4%	64,697		15.9	

Chart B1

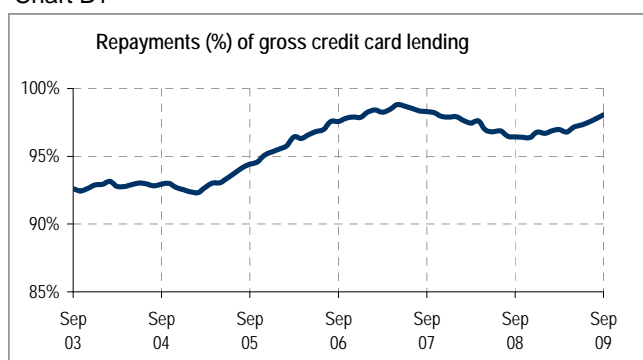


Chart B1 shows the rolling 12-month average of repayments

Section B shows data relating to UK households' credit and charge card use. Gross lending equates to new spending on credit and charge cards, including interest and other charges, whilst outstanding balances is the total amount still owed at the end of the period. These data are provided by members of The UK Cards Association which account for 99.7% of all UK credit card lending over the 12 months to December 2008.

Outstanding balances are reported to the Bank of England by all UK credit card issuers. The figures shown here include estimated amounts that have been securitised, ie, transferred by the UK credit card issuer to a non-resident associated company. These estimates are based on the published footnotes to the Bank of England's data series LPMVZRJ.

The **average interest rate** (Bank of England data series IUMCCTL) is expressed in terms of Annual Percentage Rate of Charge (APR) and applies to credit card purchases, rather than other transaction types. The series is weighted according to each credit card issuer's monthly gross credit card lending.

C Cash machines



There were 63,400 cash machines deployed in the UK at the end of September 2009 (see Chart C1). Of this total 23,585 were pay-to-use machines, representing 37.2% of the total. During the third quarter of 2009, the number of pay-to-use machines reduced by 774 and the number of free-to-use machines increased by 496, a net decrease of 278 during the quarter. The number of withdrawals at pay-to-use machines during the third quarter of 2009 was only 3.3% of the total (see Chart C2). The average value of a cash withdrawal was £67.

		Number of cash machines at period end	Cash withdrawals					Number of withdrawals where a fee is charged to the cardholder
			Volume		Value		Average value	
			mn	Increase	£ mn	Increase		
				%		%		
2003		46,461	2,373	4.6%	144,123	5.7%	60	2.9%
2004		54,412	2,528	6.5%	161,269	11.9%	64	4.5%
2005		58,286	2,699	6.8%	172,023	6.7%	64	4.5%
2006		60,468	2,752	2.0%	179,808	4.5%	65	4.3%
2007	Q1	61,301	674	2.6%	42,698	5.2%	63	4.1%
	Q2	61,749	715	2.9%	46,364	4.9%	65	4.2%
	Q3	61,350	720	3.6%	47,528	4.7%	66	4.0%
	Q4	63,476	727	3.1%	49,783	3.7%	68	3.7%
2008	Q1	62,416	682	2.6%	44,631	3.9%	65	3.6%
	Q2	64,459	735	2.4%	48,489	4.2%	66	3.6%
	Q3	64,547	734	1.7%	49,503	4.1%	67	3.6%
	Q4	63,916	725	1.4%	49,564	3.1%	68	3.4%
2009	Q1	63,293	689	1.3%	44,648	2.1%	65	3.2%
	Q2	63,678	740	0.8%	48,414	0.9%	65	3.4%
	Q3	63,400	738	0.5%	49,140	-0.3%	67	3.3%

Chart C1

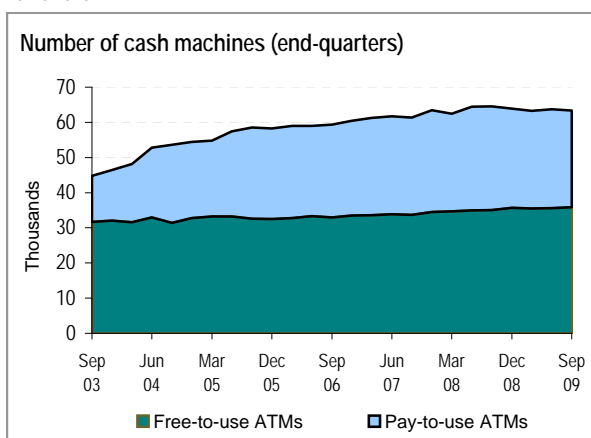
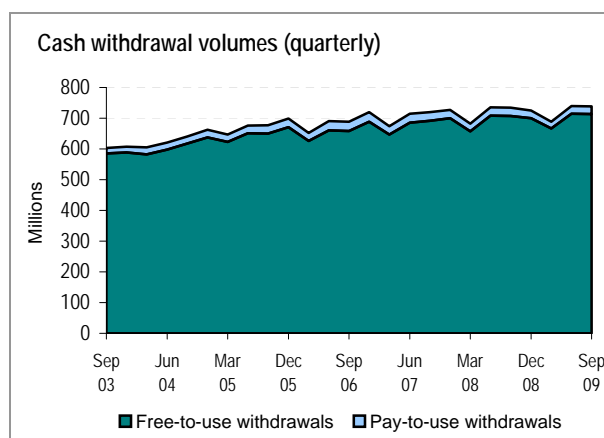


Chart C2



Section C shows key statistics on UK cash machines, indicating the total number of machines installed at the end of each period, the total number and value of withdrawals processed during the period, and shows the average value of a withdrawal (rounded). Data from other cash machine deployers are provided by LINK.

D Bacs Direct Credits and Direct Debits

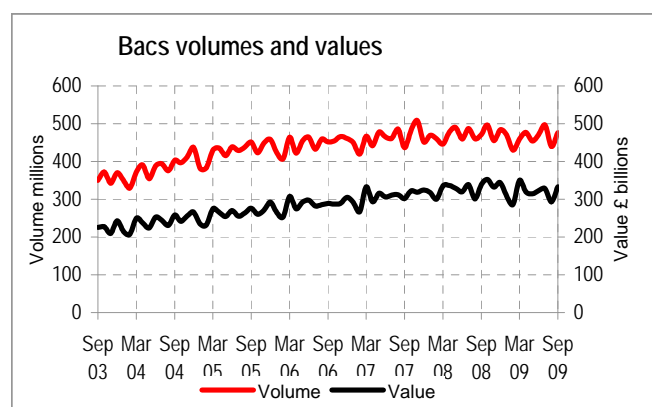


Bacs volumes and values were lower by 0.5% and 2.5% respectively during the third quarter of 2009 than in the third quarter of 2008; the 12 month growth rate for volumes declined to -0.9% whilst values showed a small increase of 0.1%. This slight decline reflects the recent increasing use of Faster Payments, notably for standing orders.

In spite of a small percentage of automated payments (estimated to be in the region of 5%) that has shifted from Bacs to Faster Payments, the overall number of payments via Bacs continued to grow. A majority of Bacs payments, including Direct Debits, remain outside the scope of Faster Payments and these are expected to continue to grow. The 12 month growth in the volume of Direct Debits was 2.6%. Overall underlying growth will become more obvious as the skewing effect of the launch of Faster Payments starts to fall outside the 12 month growth calculations.

	Total				of which			Direct Debits		
	Volume		Value		Bacs Direct Credits	Standing orders	Bacs Direct Credits 2	Volume	Value	
	000s	% growth 1	£ mn	% growth 1	000s	000s	£ mn	000s	£ mn	
2003	4,060,357	9%	2,574,367	8%	1,341,998	288,443	1,912,175	2,429,915	662,192	
2004	4,602,570	13%	2,883,452	12%	1,710,757	301,879	2,133,071	2,589,934	750,381	
2005	5,134,250	12%	3,150,207	9%	2,093,983	318,022	2,353,168	2,722,245	797,039	
2006	5,361,749	4%	3,429,333	9%	2,171,743	332,245	2,584,501	2,857,761	844,832	
2007	Q1	1,335,652	3%	891,995	8%	541,610	85,470	683,484	708,571	208,511
	Q2	1,384,527	3%	915,635	7%	553,287	85,730	695,623	745,510	220,012
	Q3	1,382,958	3%	923,979	7%	551,442	86,003	700,294	745,513	223,685
	Q4	1,440,972	3%	964,297	8%	586,948	90,144	732,914	763,880	231,383
2008	Q1	1,375,123	3%	953,473	7%	556,223	89,195	731,743	729,705	221,730
	Q2	1,426,726	3%	985,362	8%	565,610 ^	88,173 ^	749,153	772,944	236,209
	Q3	1,418,502	3%	978,673	7%	552,744 ^	83,066 ^	739,762	782,691	238,911
	Oct	496,558	3%	352,529	7%	195,523 ^	23,202 ^	267,551	277,833	84,978
	Nov	454,821	1%	332,282	7%	192,459 ^	18,949 ^	257,531	243,413	74,752
	Dec	484,020	2%	344,002	7%	192,491 ^	21,258 ^	265,225	270,271	78,777
2009	Jan	470,258	2%	308,573	6%	193,367 ^	19,606 ^	237,065	257,284	71,508
	Feb	429,427	0%	286,244	4%	176,702 ^	16,807 ^	220,200	235,918	66,044
	Mar	459,025	1%	349,784	5%	186,087 ^	19,154 ^	275,831	253,785	73,953
	Apr	477,321	0%	319,500	3%	195,309 ^	17,400 ^	245,965	264,612	73,535
	May	454,336	-1%	314,375	2%	176,169 ^	17,110 ^	242,437	261,057	71,937
	Jun	471,292	0%	322,819	2%	188,236 ^	16,715 ^	250,519	266,341	72,300
	Jul	496,255	-1%	328,129	1%	202,422 ^	16,934 ^	250,063	276,899	78,066
	Aug	439,808	0%	293,371	1%	178,096 ^	14,608 ^	224,225	247,104	69,147
	Sep	476,015	-1%	333,013	0%	186,396 ^	16,816 ^	254,499	272,803	78,514

^ revised figure



Notes

1 Per cent growth figures relate to 12 month periods.

2 Data are not available for standing order values; these are included within Bacs Direct Credit values.

E Cleared cheques and paper credits

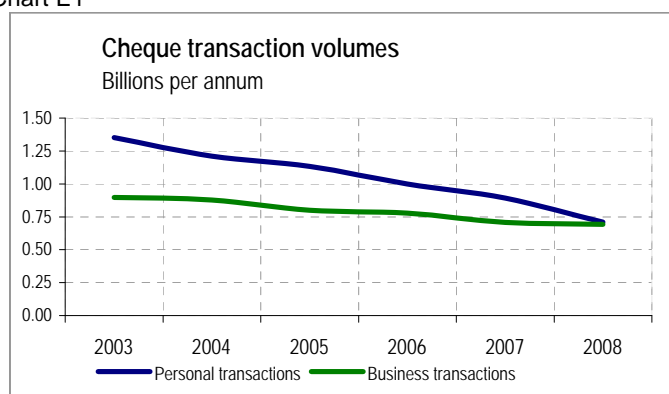


Cheque and credit clearing volumes were 13% lower and values 19% lower in the third quarter of 2009 compared with the corresponding period in 2008.

Chart E1 reflects the decline since 2003 in the numbers of personal and business cheques. These data are available only annually and include cheque payments and cash acquisition.

	Total				of which				
	Volume		Value		Cheques 1		Credits		
	000s	% growth ²	£ mn	% growth ²	Volume 000s	Value £ mn	Volume 000s	Value £ mn	
2003	1,659,908	-6%	1,315,051	-3%	1,519,117	1,240,685	140,792	74,366	
2004	1,556,641	-6%	1,278,318	-3%	1,423,742	1,210,057	132,899	68,261	
2005	1,449,042	-7%	1,214,100	-5%	1,325,762	1,152,256	123,280	61,844	
2006	1,345,711	-7%	1,230,803	1%	1,237,401	1,171,062	108,309	59,741	
2007	Q1	317,779	-8%	303,313	..	292,621	287,230	25,159	16,083
	Q2	310,279	-8%	305,574	..	286,359	291,768	23,920	13,806
	Q3	293,859	-8%	308,694	..	270,199	294,193	23,660	14,501
	Q4	299,237	-9%	296,801	-1%	275,686	283,494	23,551	13,308
2008	Q1	279,723	-10%	283,529	-3%	257,530	268,830	22,193	14,699
	Q2	279,176	-10%	289,609	-4%	257,415	276,867	21,761	12,742
	Q3	266,085	-11%	277,754	-6%	244,368	265,096	21,717	12,658
	Oct	94,800	-10%	110,037	-6%	87,447	105,858	7,353	4,179
Nov	82,338	-11%	81,906	-7%	75,981	78,348	6,357	3,558	
Dec	91,699	-10%	84,747	-7%	84,638	80,695	7,061	4,052	
2009	Jan	81,759	-11%	83,571	-8%	74,970	77,903	6,789	5,668
	Feb	73,603	-12%	72,762	-10%	67,885	69,012	5,718	3,750
	Mar	87,642	-11%	82,496	-9%	80,667	78,715	6,975	3,781
	Apr	79,245	-12%	77,126	-12%	73,061	73,579	6,184	3,547
	May	76,475	-12%	72,659	-13%	70,518	69,597	5,956	3,062
	Jun	85,097	-12%	79,323	-13%	78,784	76,049	6,313	3,274
	Jul	83,871	-12%	82,857	-14%	77,420	79,073	6,451	3,784
	Aug	66,564	-12%	67,482	-14%	61,144	64,704	5,420	2,778
	Sep	80,850	-12%	76,001	-15%	74,564	72,818	6,287	3,183

Chart E1



1 Excludes euro debits

2 Per cent growth figures relate to 12 month periods.

F Same-day payments



By the end of Q3 2009 47% of all standing orders (see Chart F1) and 73% of telephone and online banking payments (see Chart F2) were made using the Faster Payments Service.

After a number of years of growing steadily, from 27 million payments per year in 2003 to a peak of 36 million at the beginning of 2008, CHAPS Sterling volumes remain in decline. Volumes in Q3 2009 were 6.3% lower than in the corresponding quarter of 2008 and values have declined by 12.5%. The average CHAPS payment in September 2009 fell to £1,935,000 compared with £2,200,000 in September 2008. Whereas the decline in volumes reflects the contraction in housing market activity, the greater percentage decline in values may reflect a more recent fall in the average value of wholesale financial payments.

Payment volumes					Payment values										
CHAPS			Faster Payments		of which										
			% growth ¹	Standing orders ²	Online and telephone banking payments										
000s	% growth ¹					000s	000s	£ mn	% growth ¹						
2003	33,202	8%				88,576,506	8%								
2004	34,862	5%				91,334,788	3%								
2005	36,756	5%				97,100,206	6%								
2006	40,686	11%				109,637,149	13%								
2007	Q1	10,594	10%			29,499,274	11%								
	Q2	10,918	9%			31,576,018	12%								
	Q3	11,151	9%			34,044,873	16%								
	Q4	10,872	7%			31,549,684	16%								
2008	Q1	9,507 ³	5%			25,728,574 ³	19%								
	Q2	9,158	3%		4,498 ⁴	440 [^]	4,058 [^]	20,170,794	17%	2,475 ⁴	11 [^]	2,464 [^]			
	Q3	8,655	0%		26,585	9,268 [^]	17,317 [^]	17,844,493	10%	12,261	569 [^]	11,692 [^]			
	Oct	3,184	-1%		15,824	-	8,289 [^]	7,535 [^]	7,249,134	9%	6,162	-	790 [^]	5,372 [^]	
	Nov	2,560	-3%		16,144	-	8,804 [^]	7,340 [^]	5,779,681	7%	5,459	-	854 [^]	4,605 [^]	
	Dec	2,734	-3%		19,737	-	10,955 [^]	8,782 [^]	6,244,433	6%	6,514	-	1,158 [^]	5,356 [^]	
	2009	Jan	2,575	-4%		18,679	54%	10,450	8,229 [^]	5,879,948	4%	6,208	23%	1,176 [^]	5,032 [^]
		Feb	2,412	-6%		18,476	30%	10,333 [^]	8,143 [^]	5,482,453	2%	6,234	15%	1,352 [^]	4,882 [^]
Mar		2,749	-5%		22,950	16%	12,908 [^]	10,042 [^]	6,127,115	2%	8,183	14%	2,233 [^]	5,951 [^]	
Apr		2,648	-7%		21,802	16%	12,084 [^]	9,719 [^]	5,384,007	-2%	8,007	23%	2,117 [^]	5,890 [^]	
May		2,493	-8%		22,223	18%	11,821 [^]	10,402 [^]	4,953,684	-3%	8,033	28%	2,071 [^]	5,962 [^]	
Jun		2,736	-8%		25,316	15%	13,776 [^]	11,540 [^]	5,701,692	-4%	9,147	22%	2,507 [^]	6,641 [^]	
Jul		2,868	-8%		25,797	16%	13,835 [^]	11,962 [^]	5,513,757	-5%	9,447	19%	2,345 [^]	7,102 [^]	
Aug		2,434	-8%		23,593	12%	12,849 [^]	10,745 [^]	4,670,092	-4%	8,563	12%	2,178 [^]	6,385 [^]	
Sep		2,809	-9%		27,721	11%	14,854 [^]	12,866 [^]	5,434,412	-6%	10,208	12%	2,635 [^]	7,573 [^]	

[^] revised figure

Chart F1

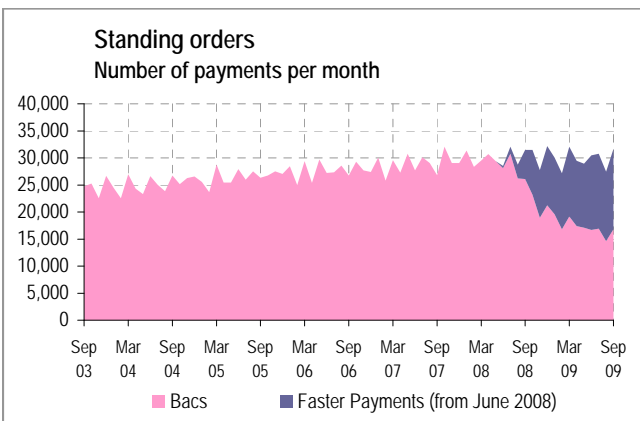
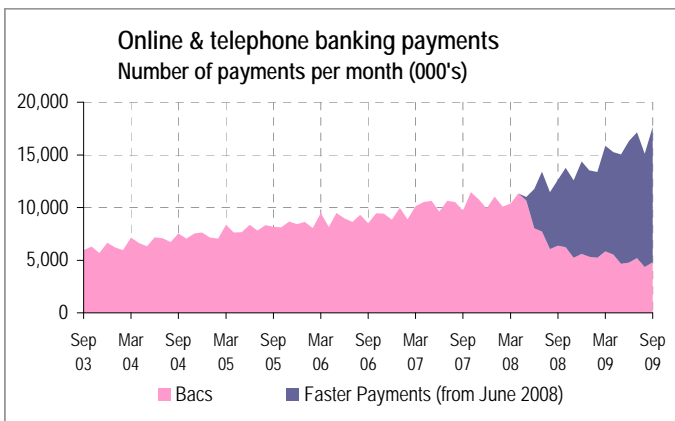


Chart F2



1 Per cent growth figures for CHAPS payments relate to 12 month periods. For Faster Payments, per cent growth is based on 3 month periods.

2 Standing orders includes a small volume and value of returned payments.

3 Prior to June 2008 data for CHAPS volumes and values included CHAPS Euro, which ceased operations on 16 May 2008. Details of the amounts of CHAPS Euro volumes and values may be found in earlier Statistical Releases (contact press@ukpayments.org.uk). Percentage growth figures from Q1 2008 relate only to CHAPS Sterling.

4 Faster Payments began operations on 27 May 2008; the CHAPS Clearing Company has responsibility for the management of the service.