CAR FINANCE GROWS STEADILY IN NOVEMBER

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Figures released today by the Finance & Leasing Association (FLA) show 7% growth in consumer new car finance volumes during November 2014, compared with the same month the previous year. In the twelve months to November, this market reported growth of 13%. The percentage of private new car sales financed through dealerships by FLA members held steady at 75.9% over the same period.

There was modest growth also in consumer used car finance volumes, up 5% on November 2013. In the twelve months to November, this market reported volumes up by 15%.

Commenting on the figures, Geraldine Kilkelly, Head of Research and Chief Economist at the FLA, said:

"Car finance provided through dealerships is popular with consumers because of the range of finance products on offer. Personal Contract Purchase (PCP) has become a popular choice for many consumers, reflecting a change in attitudes to car ownership. But many customers still want to own their car outright and as a result we have also seen growth in hire purchase over the last year."

Table 1: Cars bought on finance by consumers through dealerships

	Nov 2014	% change on prev. year	3 months to Nov 2014	% change on prev. year	12 months to Nov 2014	% change on prev. year
New cars						
Value of advances (£m)	965	+10	4,347	+15	13,963	+18
Number of cars	59,983	+7	273,986	+11	892,737	+13
Used cars						
Value of advances (£m)	806	+11	2,722	+17	10,542	+22
Number of cars	76,572	+5	260,267	+10	1,039,069	+15

Table 2: Cars bought on finance by businesses

	Nov 2014	% change on prev. year	3 months to Nov 2014	% change on prev. year	12 months to Nov 2014	% change on prev. year
New cars						
Number of cars	33,091	0	122,741	+18	455,489	+14
Used cars						
Number of cars	2,270	+3	9,341	-18	40,894	-30

Note to editors:

1. In 2013 FLA members provided £89.0 billion of new finance to UK businesses and households. £66.6 billion of this was in the form of consumer credit, almost a third of all unsecured lending in the UK. And £27.6 billion of it supported the purchase of new and used cars, including almost three-quarters of private new car registrations.

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