

Economic & Market Overview

December 1st 2011

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Key Economic Data Summary as at 30/11/11

CPI (Oct)	5.0%	Down from 5.2%
RPI (Oct)	5.4%	Own from 5.6%
Employment Qtr (Nov 16 th)	70.2%	Down 0.4% on the previous quarter. .
Unemployment Qtr (Nov 16 th)	8.3%	Up 0.1% on the previous quarter
GDP Growth/Shrinkage Qtr 3 2011	+0.5%	Initial estimate 26/07/11
BoE Base Rate	0.5%	Released 24/11/11
LIBOR (GBP 3M BBA)	1.0389%	Prices rising
Crude Oil	\$101.13	Prices rising
Gold	\$1742.60	Prices steady

National House Price Index October 2011 (source Lloyds Banking Group as at (07/11/11))

Annual Change	-1.8%
Quarterly Change	-0.3%
Monthly change	1.2%
Average Price	£163.311

Mortgages Standard Variable Rates (SVR) Rates sourced lenders websites on 30/11/11 - rates may be subject to deposits/loan to value levels & underwriting

Lender	SVR or equivalent	Comments
Halifax	3.99%	
Nationwide BS	3.99 (SMR) 2.5% (BMR)	<ul style="list-style-type: none"> Standard Mortgage Rate (SMR) is 3.99% Customers with deals reserved on or before 29/07/09 will revert to the variable Base Mortgage Rate of 2.5%
Santander UK	4.24%	
Lloyds TSB/C&G	2.5%	<ul style="list-style-type: none"> Only applies to current customers at the natural end of a mortgage applied for before 01/06/10 For customers applying for a mortgage after 01/06/10
Barclays (Woolwich)	3.89%	§ Rate dependent upon mortgage product
RBS	4%	No Change
HSBC	3.94%	No Change



The Economic Environment From *Apex Credit Management*

Personal Loan Rates - Rates sourced from lenders websites on 30/10/11 - Based upon £5K (unless noted) over 36 months ex insurance and subject to underwriting

Lender	Typical APR	Notes
Sainsbury's Finance	7.9%	No change
Tesco Personal Finance	8.7%	No change
Santander UK	8.6%	No change
Post Office	8.4%	No change
Nat West/RBS	17.9%	New higher rate
M & S	12.9%	Applicants must be UK resident aged 30 or over or a home-owner and be either an existing M&S Credit Cardholder or Chargecard holder.
Halifax	20.0%	Slightly lower rate this month
HSBC	16.9%	No Change
Lloyds TSB	n/a	Rates available only upon request based upon personal application
Barclays Bank	9.9%	New lower rate – current account holders only
Clydesdale Bank/Yorkshire Bank	13.9%	No Change
Co-Op Bank	12.9%	New lower rate this month

IFS Warns of Economic Stagnation (01/12/1)

The Independent Institute for Fiscal Studies (IFS) has warned that the income of UK households is likely to fall 7.4 per cent in three years and Britons will be no better off in 2016 than they were in 2002. The IFS expects household income, after inflation, to fall by an average of 7.4 per cent between 2009-10 and 2012-13.

A 7.4 per cent fall in average household income would be the second worst on record, beaten only in the recession of the mid-Seventies.

Mortgage repayments rise as consumers cut debt (30/11/11)

New data from the Bank of England suggests that house owners are focusing on repaying their mortgages as part of their efforts to reduce debt. A record £9.1 billion of mortgage repayments were made in the second quarter of year, representing 3.5% of households' post-tax income. The amount of money owned on mortgages has fallen by £92.9 billion since the 2008 credit crunch.

Housing Market to improve in 2013 (01/12/11)

The housing market is expected to improve strongly in 2013-14, with a 20 per cent increase in transactions, according to the Office for Budget Responsibility (OBR). An upward trend is expected to start developing in 2012-13, when 1.5 per cent growth is expected, according to the OBR's forecasts, which accompanied the chancellor's Autumn Statement. The OBR also has also said that it expects house prices to start showing a steady increase in 2013, reaching annual growth of 4.5 per cent in 2015-16. However, they are expected to continue to fall by 0.9 per cent in 2011-12 and 0.1 per cent in 2012-13.

Personal Insolvencies Fall

The latest statistics from the Insolvency Service have revealed that there were 30,219 total personal insolvencies in England and Wales in 2011's third quarter, an 11% fall in consumers becoming insolvent compared with the same period in 2010. Bankruptcies have been consistently falling for the last two years, due mainly to lower numbers of consumer bankruptcy cases.