



Euromonitor
International

Consumer Credit in the United Kingdom

January 2026

Table of Contents

KEY DATA FINDINGS

2025 DEVELOPMENTS

Growth across metrics in 2025 as cost of living remains high

INDUSTRY PERFORMANCE

With living costs still elevated, consumers lean on credit, lifting gross lending and outstanding balances
Amid higher fees, education borrowing grows while outstanding balances continue to build
BNPL adoption broadens in 2025 as the UK sets a firm path to regulation

WHAT'S NEXT?

Easing rates and shifting inflation trajectories set the stage for card lending growth
Regulation-ready growth, with opportunities shifting from volume to quality for BNPL
Shifting growth to finance-as-a-service model

CATEGORY DATA

- Table 1 - Consumer Credit: Outstanding Balance by Category: Value 2020-2025
- Table 2 - Consumer Credit: Outstanding Balance by Category: % Value Growth 2020-2025
- Table 3 - Consumer Credit: Gross Lending by Category: Value 2020-2025
- Table 4 - Consumer Credit: Gross Lending by Category: % Value Growth 2020-2025
- Table 5 - Forecast Consumer Credit: Outstanding Balance by Category: Value 2025-2030
- Table 6 - Forecast Consumer Credit: Outstanding Balance by Category: % Value Growth 2025-2030
- Table 7 - Forecast Consumer Credit: Gross Lending by Category: Value 2025-2030
- Table 8 - Forecast Consumer Credit: Gross Lending by Category: % Value Growth 2025-2030

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Consumer Lending in the United Kingdom - Industry Overview

EXECUTIVE SUMMARY

Consumer sentiment improves in 2025 as inflation declines

KEY DATA FINDINGS

INDUSTRY PERFORMANCE

Local consumers continue to rely on credit as the cost of living remains high
Everyday budgeting, rate relief and digital access sustain demand
Rate relief spurs remortgaging, but affordability still bites

WHAT'S NEXT?

Steady outlook ahead for consumer lending in the UK
Regulation set to affect direction of travel
AI will continue to streamline consumer lending systems in the years ahead

MARKET DATA

- Table 9 - Consumer Lending: Outstanding Balance by Category: Value 2020-2025
- Table 10 - Consumer Lending: Outstanding Balance by Category: % Value Growth 2020-2025
- Table 11 - Consumer Lending: Gross Lending by Category: Value 2020-2025
- Table 12 - Consumer Lending: Gross Lending by Category: % Value Growth 2020-2025
- Table 13 - Consumer Lending: Non-performing vs Other Loans Outstanding Balance: % Value 2020-2025
- Table 14 - Mortgages/Housing: Non-performing vs Other Loans Outstanding Balance: % Value 2020-2025
- Table 15 - Consumer Credit: Non-performing vs Other Loans Outstanding Balance: % Value 2020-2025
- Table 16 - Card Lending: Non-performing vs Other Loans Outstanding Balance: % Value 2020-2025

Table 17 - Forecast Consumer Lending: Outstanding Balance by Category: Value 2025-2030

Table 18 - Forecast Consumer Lending: Outstanding Balance by Category: % Value Growth 2025-2030

Table 19 - Forecast Consumer Lending: Gross Lending by Category: Value 2025-2030

Table 20 - Forecast Consumer Lending: Gross Lending by Category: % Value Growth 2025-2030

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SOURCES

Summary 1 - Research Sources

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