

UK Savings 2019: Review, Forecasts, and Future Opportunities

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Abstracts

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SUMMARY

The UK savings market has been characterized by a mixture of factors during 2019. Lower GDP and higher real wage growth have created a willingness and ability to save. Similarly, uncertainty over Brexit has led to a flight to safety from stocks and shares ISAs into cash ISAs. In terms of Net Promoter Score (NPS), First Direct leads the way, Nationwide has steadily fallen since 2017, and TSB collapsed in 2019. Meanwhile, new entrant Marcus by Goldman Sachs (Marcus) plans to introduce a budgeting and money management app for 2020 for upper emerging and mass affluent consumers. Its well-known brand and market-beating rates will put pressure on smaller banks in the short term and larger incumbents in the long term.

This report provides information and insights on the UK savings market, including details of the recent savings macro market, the competitive environment among incumbent and challenger players, customer behavior and sentiment, an analysis of recent regulatory changes and proposals and a look at the most innovative new players in the savings industry.

SCOPE

Total deposit growth is forecast to be half of the preceding five years amid falling APRs.

Cash ISA growth rates are set to outperform non-cash ISAs for the forecast

period (2019-23).

Sustained growth in average real weekly wages of 2.4 - %combined with low growth and a fall in consumer spending - has meant an increased appetite for saving.

The main savings providers have lost approximately 8% market share to newer rivals since 2012. Their total market share now stands at 67.5% and continues to fall.

REASONS TO BUY

Gain insight at both the micro and macro level of the UK savings market.

Learn about threats to savings providers, as well as potential opportunities such as new products.

Assess the latest trends and innovations in UK savings.

Compare the performance and strategic direction of your firm against competitors.

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Marcus by Goldman Sachs

NS&I

Lloyds Banking Group

HSBC

Skipton Building Society

Hargreaves Lansdown

Nutmeg

AJ Bell

Moneybox

Zopa

RateSetter

Quackle

Encash

GraduRates

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