

PRACTICAL HELP WITH PRODUCT WITHDRAWALS

Last month we launched what we believe to be the first of its kind in our Lender Product Withdrawal directory featuring over 50 leading Lenders, and displaying their criteria and policy for product withdrawals. The directory shows each of the listed Lenders expected policy notice when withdrawing products along with commentary where they explain their policy and past performance.

Now, Paradigm are hoping to give some practical hints and tips which will help you to manage your customers' expectations when Lenders do pull their rates at short notice. Lenders, as you will know, have at times withdrawn quickly their products due to pricing issues, the operational impact and sudden and dramatic increases in SWAP rates. It is unlikely in the short term this practice will stop and in many cases this makes it very difficult for you to react and present an application to them.

We therefore want to help you to be prepared as much as you can for when these withdrawals may occur. Below you'll find some key dates to be aware of and that we believe should be in the diary for you and your team for at least the remainder of the year. All of these areas can have a significant impact on rates as Lenders react to the figures that are announced.



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Dates FOR THE DIARY

JULY

S	M	T	W	T	F	S
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2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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When the Inflation figures are announced both in the UK & US

- 16th August (CPI UK)
- 10th August (CPI US)
- 20th September (CPI UK)
- 13th September (CPI US)
- 18th October (CPI UK)
- 12th October (CPI US)
- 15th November (CPI UK)
- 14th November (CPI US)
- 20th December (CPI UK)
- 12th December (CPI US)

When the Bank Of England are sitting to discuss the base rate

- 3rd August
- 21st September
- 2nd November
- 14th December

When the Unemployment figures are announced

- 15th August
- Further dates not yet announced

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Once these dates are in the diary, perhaps you would want to keep time free on these dates for client management and activity. If one or two of the top 6 Lenders pull and price upwards, you will need to start looking at those applications to go the remaining 4 mainstream Lenders. There will be more of a sense of urgency then required to secure rates from those 'left' in the market.

We hope you find this useful alongside our product withdrawal document, where we believe it will help you to explain to your customers why there are time pressures around moving forward with an application.

We hope these tools will help in your selection of a lender alongside issues such as price, criteria, affordability, financial strength and product transfer policies. Please also see our useful links section for more information on some of the above areas.

Useful LINKS



Bank of England
Inflation and Interest Rates



Office for National Statistics
UK Unemployment figures



Office for National Statistics
Inflation Figures



Lloyds Bank
UK Sector Tracker Report



British Retail Consortium



The Land Registry
House Price Index