



EXPERIAN UK FRAUD INDEX

Q2 2024 **HIGHLIGHTS**



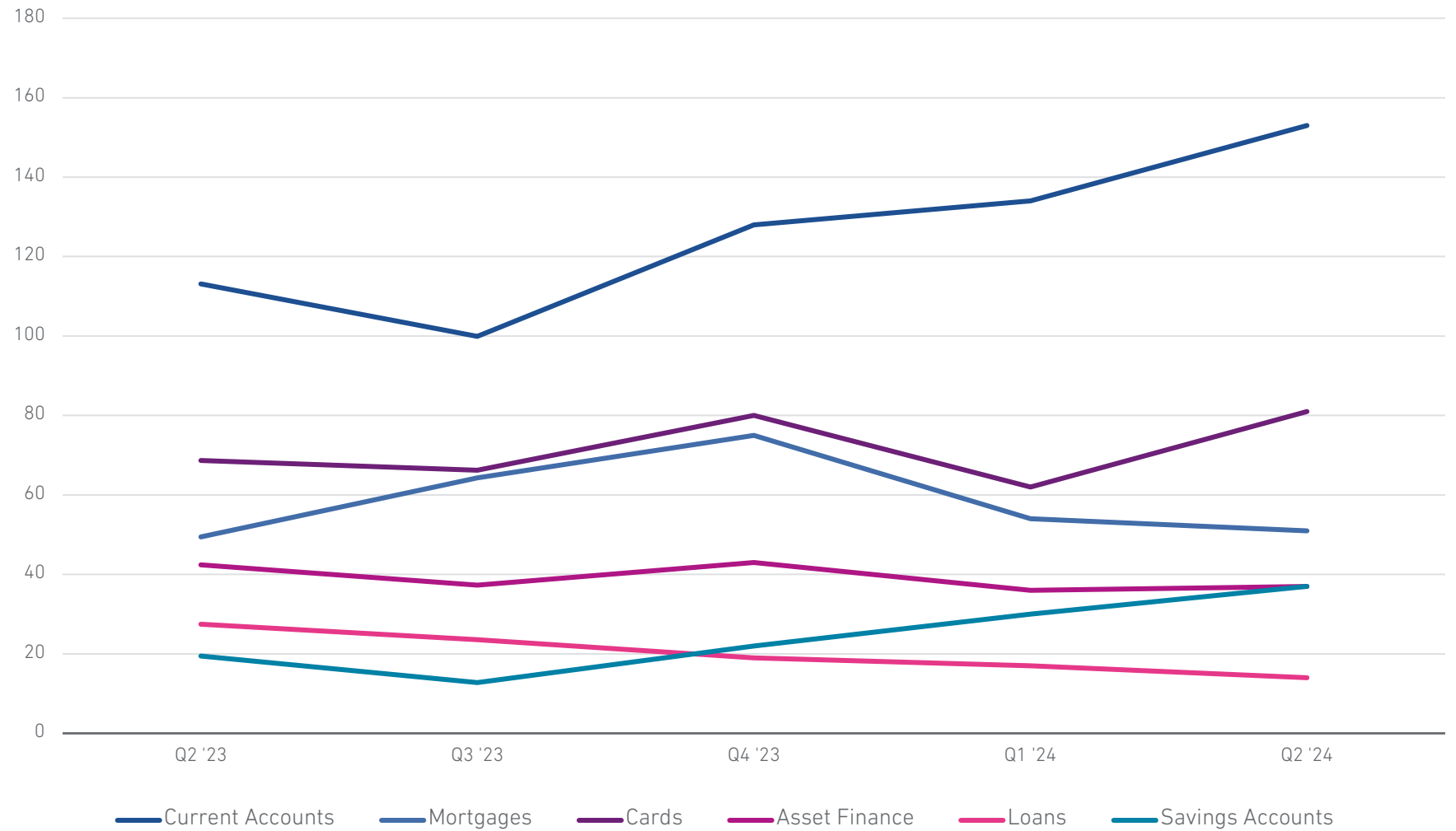
Our latest findings

The Experian Fraud Index is the number of confirmed detected and/or prevented fraud applications per 10,000 applications received.

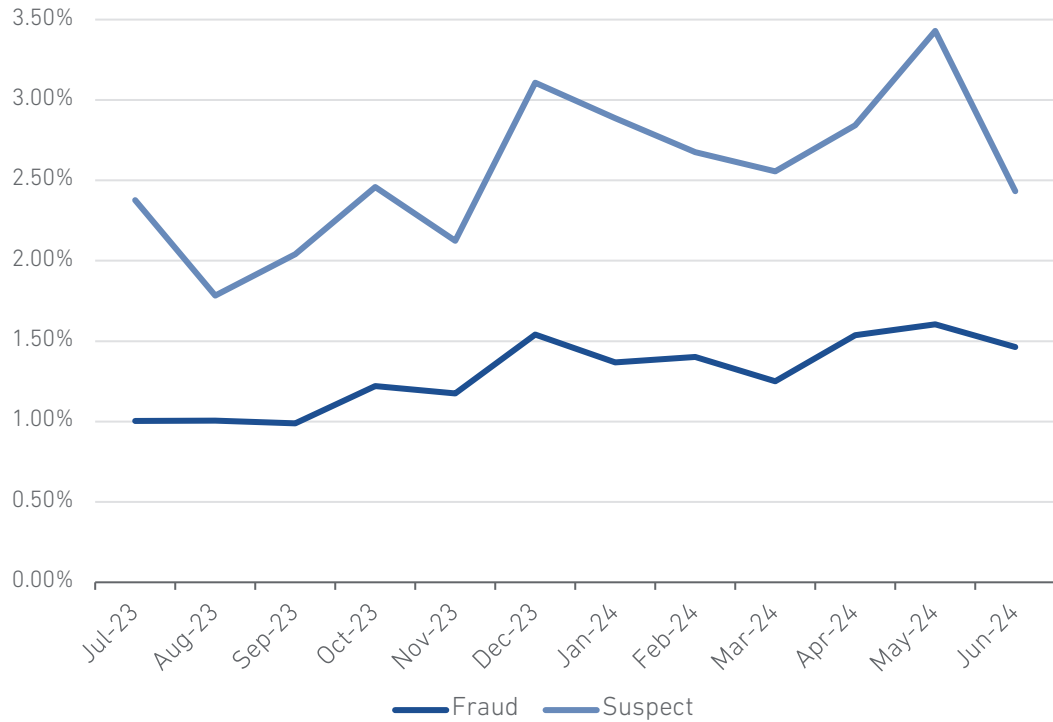
The second quarter of 2024 has seen the continued increase in Current and Savings Accounts fraud, with 1 in 65 Current Account applications being fraudulent.

There has been similar increase within Cards, whereas both Loans and Mortgages have seen decreases for at least two concurrent quarters.

Full Year by sectors

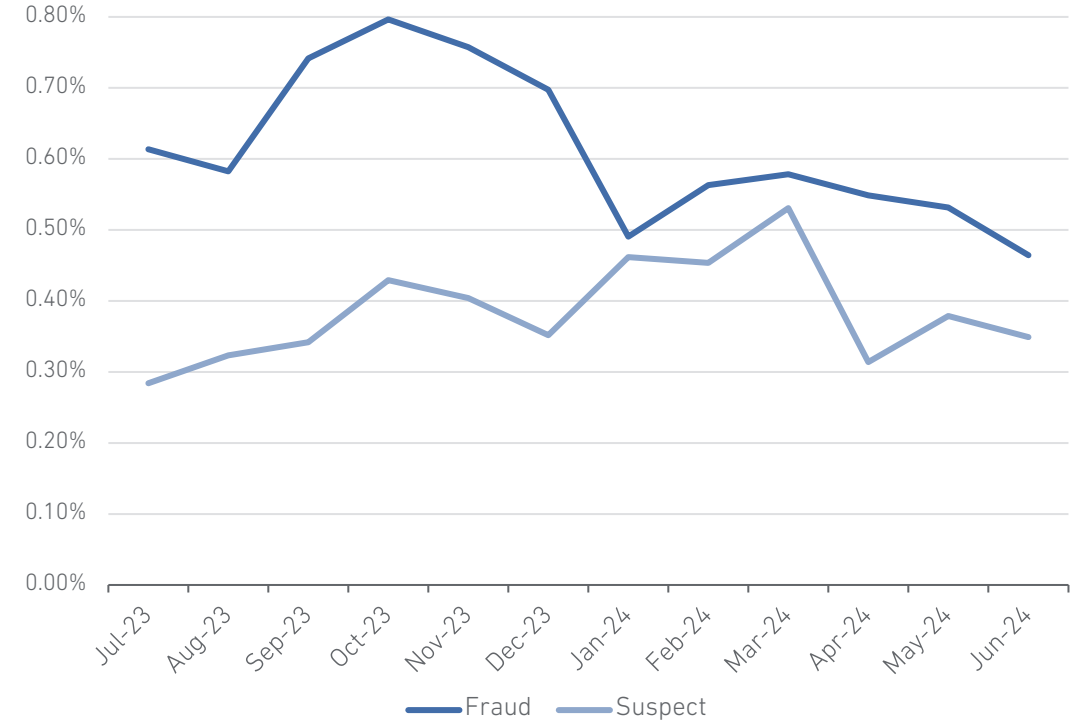


Q2 2024 Current Accounts – Fraud Rate



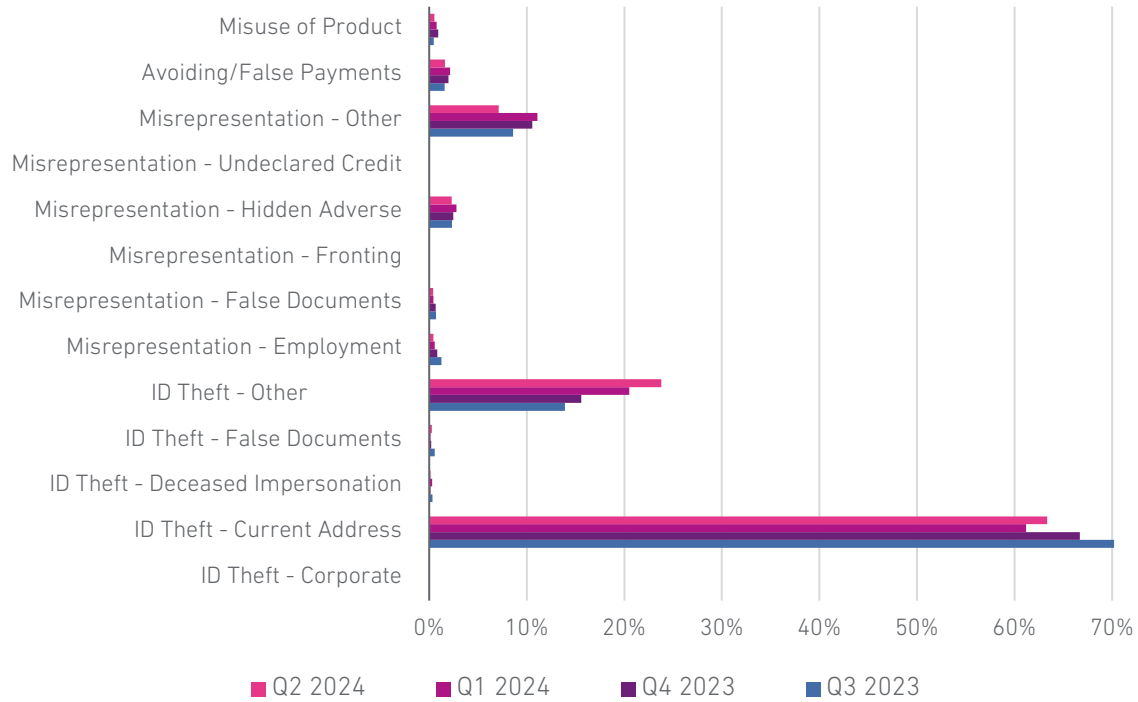
The Current Accounts fraud rate has been steadily increasing over the last 12 months, reaching a peak of 1.6% in May. With an overall quarterly fraud rate of 1.53%, this is highest seen in the last 5 years.

Q2 2024 Mortgages – Fraud Rate



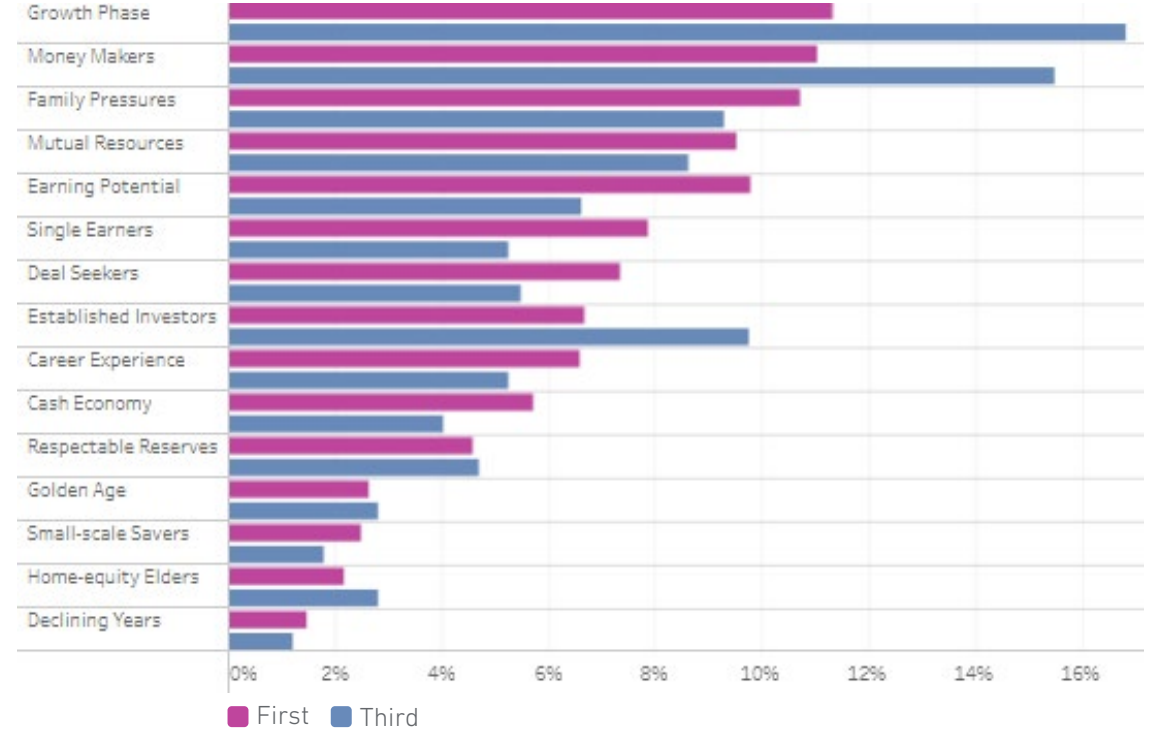
The Mortgages fraud rate has decreased throughout the second quarter, reaching 0.46% in June. This is almost half the rate seen back in October 2023, when the fraud rate was 0.8%.

Q2 2024 Cards – Fraud Categories



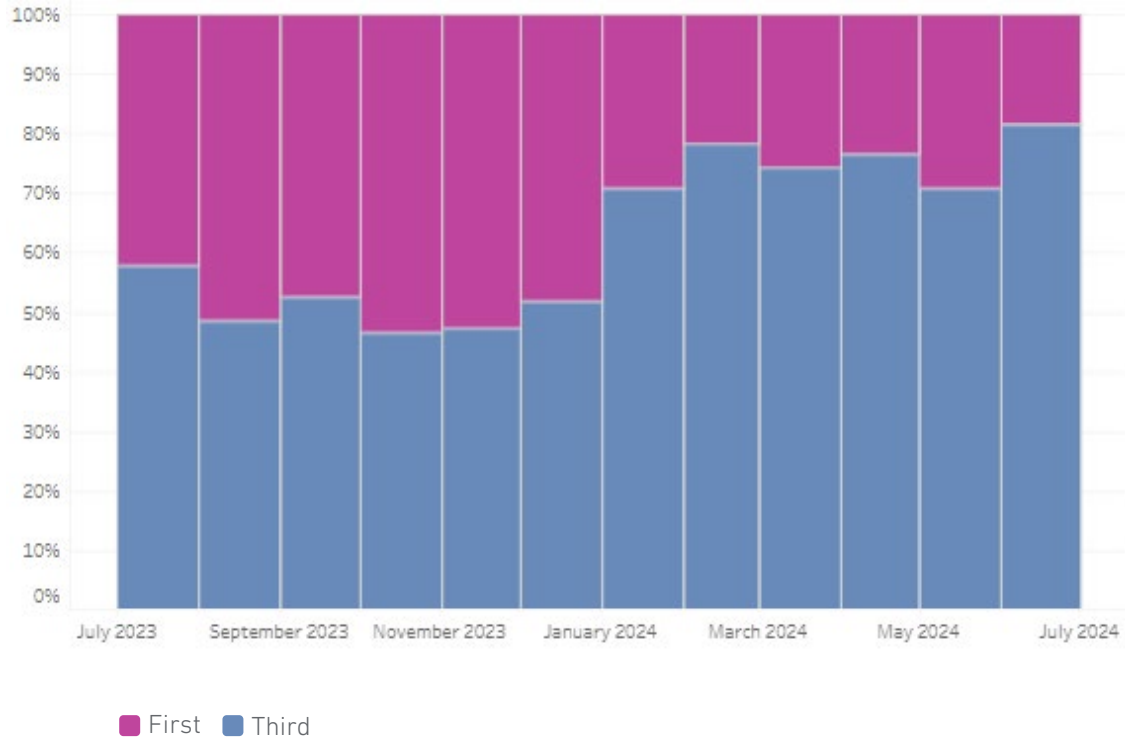
Over the last 12 months, we have seen a decrease in 'ID Theft - Current Address', but a corresponding increase in 'ID Theft - Other'. As a result, overall third-party fraud has remained consistent in proportion, however the MO behind this is gradually evolving.

Q2 2024 Asset Finance – Demographics



First and third-party fraud track closely among the demographics. 'Growth Phase', young families progressing in their careers, and 'Money Makers', high earners that regularly use credit, are at the highest risk for both fraud types, however this is at a far greater proportion for third-party.

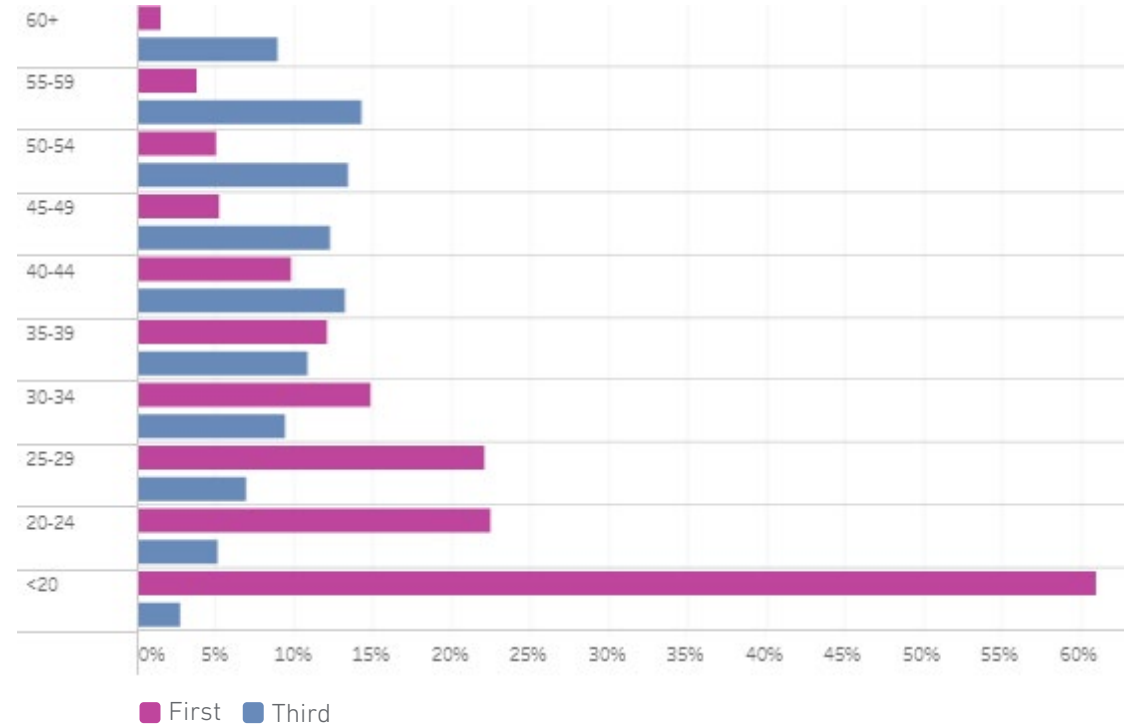
Q2 2024 Loans – Fraud Type



Throughout 2021-2023, we had seen a significant increase in first-party Loans fraud, with this peaking at 51% of all cases towards the end of this period. The first 6 months of 2024 however seem to suggest a return to a historic split between first and third-party fraud. This brings Loans back towards a similar split as Cards, with 80% of all confirmed fraud in June being as a result of third-party identity theft.

Q2 2024 Savings Accounts – Age

These figures are normalised based on relative population size in each age range and then indexed against the largest group.



With over 60% of cases found within the under 20 age group, first-party fraud risk is significantly higher among the younger generations.

