



# Personal loans – Can be a positive move

Loans11 Ltd., May 05, 2007

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*Industry experts believe that loans, especially personal loans, are beneficial. According to the latest figures released by finance charity Credit Action – people in the UK took out £324 million of secured borrowing and £36 million of unsecured in January alone.*

PR9.NET May 05, 2007 - London - The Finance & Leasing Association (FLA) is the principal representative of the asset, consumer and motor finance sector in the UK. In one statement, the association said that loans bring benefits to a majority of borrowers.

Their spokesperson Edward Simpson said that debts may be growing in the UK, but most borrowers manage their loans sensibly and benefit from the financial stability they bring.

He explained, "It's a minority of people that get in to trouble... The borrower's got to make sure that they don't overextend themselves and that they're in a position to repay outgoings".

He further added that most of the people who get into debt trap are the ones who are hit by unforeseen circumstances, like redundancy or divorce. His advice is that loan insurance can help in this regard, but only where customers are fully clear of terms and conditions.

In another statement, FLA said that personal loans can be a "positive move" to help consolidate debts. With credit card interest rates rising, the option of taking out a personal loan with a lower interest rate looks more alluring.

Another spokesperson Helen Saxon said that borrowers are using personal loans "across the spectrum", not only to buy cars and to carry out home improvements, but also to consolidate existing debt.

However, she warned the customers and said, "You do have to be careful if you are consolidating that you don't run up the debt again, and that you can pay off any loan that you take out".

Source of news:

[http://www.londonstockexchange.com/en-gb/pricesnews/investnews/article.htm?wbc\\_purpose=Basic?wbc\\_purpose?wbc\\_purpose?ArticleID=18099269](http://www.londonstockexchange.com/en-gb/pricesnews/investnews/article.htm?wbc_purpose=Basic?wbc_purpose?wbc_purpose?ArticleID=18099269)

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## About Loans11 Ltd.

www.loans11.co.uk is a trading style of Shakespeare Finance Limited which is FISA registered, which is a finance related company.

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