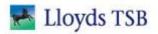
Lloyds TSB highlights the plight of recession novices



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Lloyds TSB study highlights the plight of the 13.5 million recession novices in the UK, as the financial recession hits the real economy

According to a new study* from Llovds TSB the current economic downturn is the first recession which over one in four of British adults** have experienced in their adult While life. recession veterans are realistic about what to expect, these recession novices are more optimistic and less to prepared change their lifestyles.



The report found 21% of all Brits - regardless of past experience - felt the current climate has led them to suffer from 'recession depression'. 17% claimed they had sleepless nights worrying about personal finances and 36% are spending more time at home.

The report indicated that a third of recession veterans feel better prepared for today's economic woes because they have lived through a downturn before, although 44% acknowledged it feels very different to last time. Many said their confidence comes down to better financial management. 68% felt better prepared because they are more careful and don't overspend (compared to 57% of novices) and 66% said they are better prepared because they don't rely on credit to fund their lifestyles. 56% of those with recession experience simply thought they were more realistic than younger generations about how much they can spend.

Corinne Sweet, Psychologist and author commented: "When times are bad and money is tight, people experience fear and anxiety, making them more conservative and less adventurous and expansive overall. Recession novices will be feeling the greatest shock, and worrying about how to maintain their lifestyles while paying off debts, while those that have lived through it before will probably cope better, reverting to old methods of survival."

Recession veterans are taking sensible steps to rein in spending, like buying cheaper brands (42%) and becoming more frugal. Novices are less prepared to take drastic steps. Just 24% admitted drastically cutting their spending (compared to 30% of old timers) and only a fifth are becoming more frugal compared to 39% of recession old timers. Recession novices are also less prepared to cut back on holidays and breaks away with 19% cutting back compared with a quarter of recession veterans.

To help customers during this difficult period, Lloyds TSB has created a guidance microsite for people looking for financial help. <u>Savvy</u> <u>Guidance</u> is an online resource providing useful tips and information on managing finances in the current climate, along with interactive explanations of the credit crunch, a jargon buster, FAQs and real life video stories showing how the guidance and support from a financial health specialist, can help in times of financial difficulty.

Throughout the country 1,500 <u>financial health specialists</u> are also on hand in Lloyds TSB branches to help customers review their finances, <u>manage their money</u> better and give<u>tailored guidance</u> and support.

About Lloyds TSB: Lloyds TSB offers customers a wide range of current accounts, savings accounts, insurance, personal loans and credit cards, designed to meet different customers' needs.

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Notes to editors: * Opinium Research carried out an online poll of 2,221 British adults from 30th January to 3rd February 2009. Results have been weighted to nationally representative criteria. ** Based on UK population figures and that anyone aged 34 or below will not have been an adult during the last recession (1992). This equals 13,580,000 UK adults (28.3% of 47,778,000 UK adult population) who have not lived through a recession before in their adult life.

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