

Bank deals in the offing as TSB turns down the Co-op

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[0-0P](#) Bank today confirmed weekend reports that it put in a bid for rival [TSB](#), opening up the prospect of other deals in the sector.

While that offer, to TSB's [Spanish](#) owner Sabadell was rejected, others now seem possible.

With the big [banks](#) again making big profits, but cutting branches, reasons for the second-tier lenders to unite seem to grow, say analysts.

Low interest rates have hit margins and a new breed of app-based banking has taken away at least some custom.

Sabadell said "this is not a transaction that we wish to explore at this moment". The deal was put at £1 billion.

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Nick Slape, CEO of the Bank said: "Our unique brand, underpinned by co-operative values and ethics and the significant progress we have made in returning our Bank to

profitability is a testament to the hard work of our colleagues and the loyalty of our customers – which we continue to place at the heart of all our decisions.”