



Money and Banking Statistics¹ – March 2024

Household deposits increased by €3.7 billion, or 2.5 per cent, in the year to end-March 2024. This represents a further slowdown in household deposits' annual growth. A breakdown by maturity shows that annual flows of overnight deposits decreased for the third month in a row, in line with the downwards trend observed since September 2021. Overnight deposits dropped by €2.6 billion in the year to end-March, while non-overnight deposits increased by €6.4 billion over the same period. The increased preference for non-overnight deposits is likely driven by increased interest rates on offer on deposits.

The annual growth of household deposits remained positive in March 2024. However, household overnight deposits decreased annually for the third month in a row.



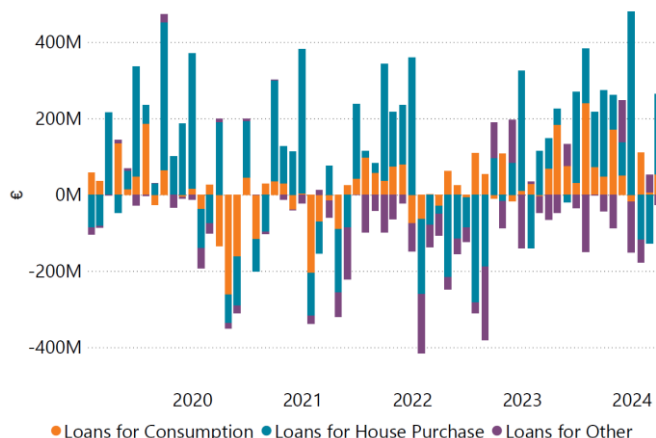
Source: Money and Banking [Table A.11.1](#)

¹ See notes on page 4.

Developments in Household credit and deposits

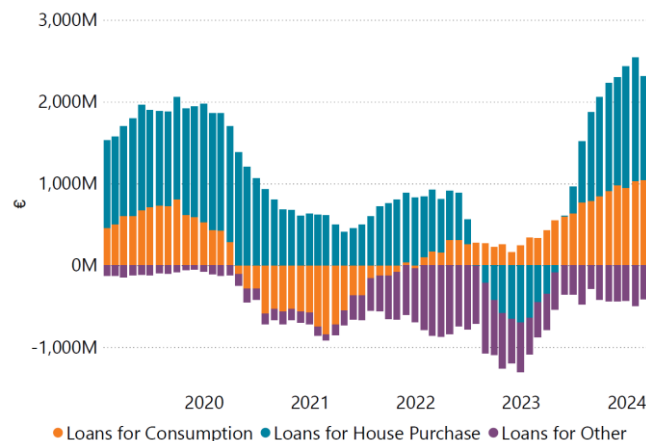
- **Net lending to households** was positive in March 2024, at €238 million (Chart 1). This was driven by a positive movement in loans for house purchase, with net lending for this category at €211 million in the month, reversing two months of negative net household lending (excluding securitised loans). The annual growth rate of household loans remained positive at 2.1 per cent, falling to 1.9 per cent after accounting for the impact of repayments on securitised loans.
- **The annual change in loans for house purchase²**, including on-balance sheet and securitised loans, was 1.5 per cent in the 12 months to end-March 2024 (see [Table A.6](#)). As observed in previous months, growth remains at historically high rates.
- **Net consumer lending** amounted to €54 million in March 2024. The 12-month flow of consumer loans (Chart 2) remained slightly over €1 billion for the third month in a row, a level not seen since 2008.
- **Loans for other purposes** was negative in March 2024, with net lending in the month at -€27 million.
- **Household deposits** stood at €155 billion at end-March 2024, and increased by €1 billion during the month (Chart 3). This is the second month in a row with increases above the €1 billion threshold. On an annual basis, deposits grew by €3.7 billion, or 2.5 per cent. This marks a new low and is in line with the downwards trend observed after the peak growth of 13.8 per cent in February 2021.
- **Overnight household deposits** increased by €325 million in March 2024, while these decreased by €2.6 billion over the past 12 months. Non-overnight deposit types grew by €684 million in March, and by €6.4 billion over the past 12 months.

Chart 1: Loans to Households (excluding securitised loans); developments in monthly net flows



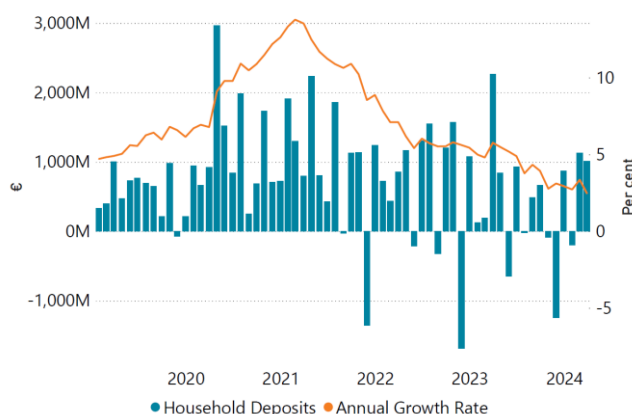
Source: Money and Banking [Table A.1](#)

Chart 2: Loans to Households (excluding securitised loans); developments in annual net flows



Source: Money and Banking [Table A.1](#)

Chart 3: Deposits from Irish resident households; development in net flows, and annual rate of change



Source: Money and Banking [Table A.11.1](#)

² See Note 4

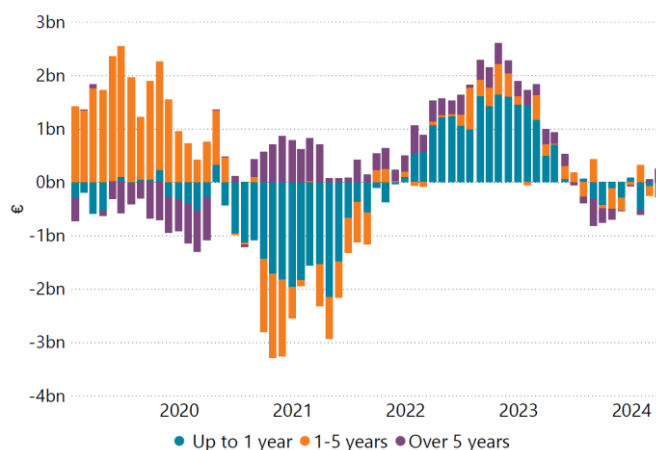
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** turned negative in March 2024, decreasing by €73 million. In the year to end-March, NFC lending remained negative, declining slightly by €35 million. This decrease was driven by medium-term lending, which dropped by €255 million and was partially offset by a positive growth of long-term loans worth €243 million (Chart 4).
- **Deposits from NFCs** stood at €77.9 billion at the end of March 2024. There were net deposit outflows worth €322 million during the month (Chart 5). After experiencing the first annual reduction since November 2012 in the previous month, NFC deposits annual growth turned positive again, increasing by 3.9 per cent in the year to end-March.

Developments in other counterparty sectors

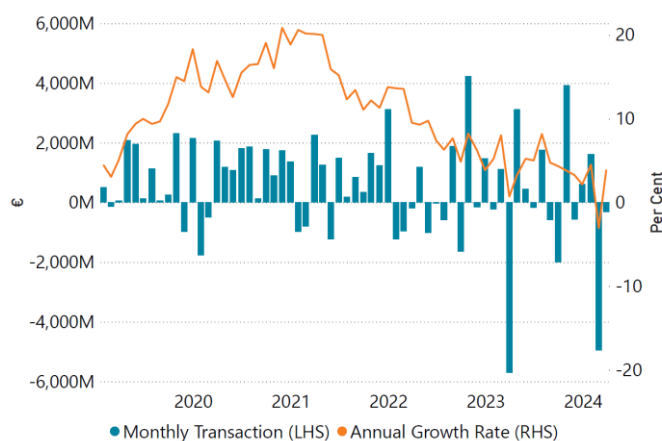
- **Total bank lending** to Irish resident sectors declined by 0.7 per cent in the year to end-March, continuing a general trend of decline in the series seen over the last number of months. Loans to the private sector increased by 1.4 per cent in the last 12 months.
- **Banks' holdings of deposits** from the Irish resident private sector increased in March 2024 by €2.6 billion. This only partially reversed the movement observed in February, when deposits declined by €5.1 billion in the month.

Chart 4: Loans to NFCs; net flows (12-month sum) by original maturity category



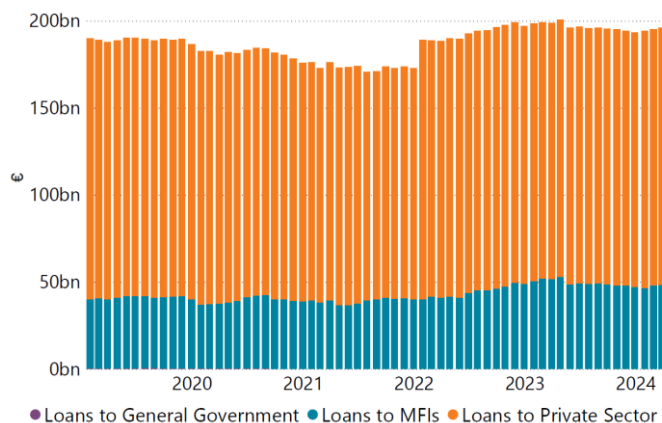
Source: Money and Banking [Table A.5](#)

Chart 5: Deposits from NFCs; developments in net flows, and annual rate of change



Source: Money and Banking [Table A.1](#)

Chart 6: Composition of Irish Bank Lending; Stocks



Source: Money and Banking [Table A.4](#)

Note 1:

Money and Banking statistics cover all credit institutions resident in Ireland. This includes licensed banks, building societies and, since January 2009, credit unions. A resident office means an office or branch of the reporting institution which is located in the Republic of Ireland. Data are reported in respect of resident office business only. Recent data are often provisional and may be subject to revision. For further detail, please see the [Money and Banking](#) webpage for:

- An extensive set of [Money and Banking Tables](#);
- A list of [Irish Resident Credit Institutions](#);
- [Money and Banking statistics Explanatory Note](#).

Irish-headquartered banks refers to institutions whose ultimate parent entity is resident in Ireland.

Note 2:

A number of lenders have agreed payment breaks with their customers since the onset of the COVID-19 crisis. These breaks are likely to significantly affect the Money and Banking lending data in this period, predominantly by keeping outstanding loan balances higher than they would be, had repayments followed their initial schedule. As well as this, end-quarter months' data is affected by quarterly interest capitalisation, which increases balances in on-quarter months.

Note 3:

Convenience credit debt is defined as the credit granted at an interest rate of 0 per cent in the period between payment transaction(s) undertaken with the card during one billing cycle and the date at which debit balances from the specific billing cycle becomes due. Extended credit debt is defined as the credit granted after the due date(s) of the previous billing cycle(s) has/have passed, for which an interest rate is charged.

Note 4:

Treatment of securitised loans

As a result of an update to the ECB Regulation *'on the statistical reporting of balance sheet items of credit institutions and of the monetary financial institutions sector (recast) (ECB/2021/2)'*, there have been changes to how certain securitised loans are required to be classified for the purposes of statistical reporting. The below treatment, allowed under the previous

Regulation, is no longer permitted under the updated Regulation:

'MFIs (...) may be allowed by their NCB to exclude from the stocks (...) any loans disposed of by means of a securitisation in accordance with national practice (...)'

The removal of this clause means that banks are now required to report all previously excluded securitised balances within their on-balance sheet stocks of outstanding loans.

This has resulted in an increase in the on-balance sheet stock of house purchase loans in tables such as Table A.1 and Table A.4. These securitised loans were already captured in Table A.6, which combined on-balance sheet and securitised loans since the series began in January 2003. This change does not impact on published transactions and growth rates for January 2022. As a result of this change, we will be discontinuing publication of confidential series within table A.6 in the future.

Note 5:

In March 2023 the outstanding amounts and transactions of domestic household deposits increased following the entry of a credit institution into the Irish market. Without this addition the household deposit growth in the year would have been lower still.

Statistical classification of sole proprietors

In line with their treatment in ESA 2010, the Central Bank is harmonising the treatment of sole proprietors by reporting agents across various datasets. This has resulted in a reclassification of loans and deposits from the NFC to the Household sector. These amendments have been made with respect to January 2022 reference data, with revisions to historical data to follow. Specifically, these changes mean an increase in loan and deposit balances reported against the household sector, and a decline in balances reported against the NFC sector. This change does not impact on published transactions and growth rates for January 2022.