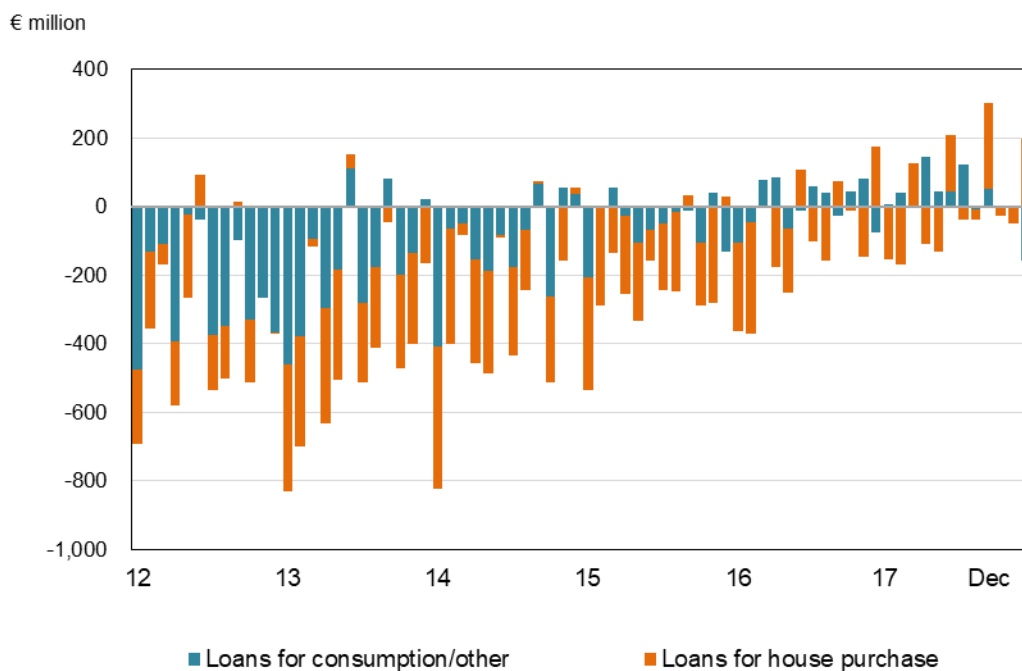




Money and Banking Statistics¹ – December 2017

Household deposit levels rose above €100 billion for the first time during 2017, and currently stand at a series high of €101 billion. This represents an increase of €3.3 billion over the year. Lending for house purchase in 2017 showed a net increase for the first full year since 2009, with new lending outpacing repayments by €45 million.

Loans to Households; developments in net flows



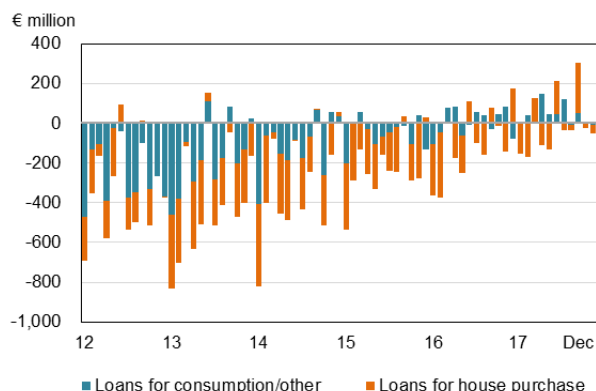
Source: Money and Banking [Table A.1](#)

¹ See note 1 on page 4.

Developments in Household credit and deposits

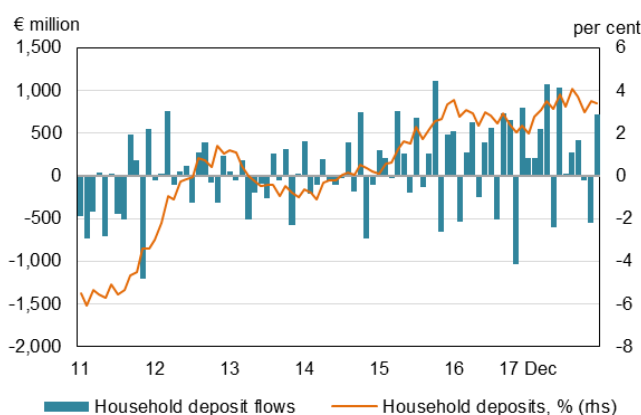
- **Loans to households, adjusted for loan sales and securitisations**, declined by 1.5 per cent in annual terms to end-December.²
- **Mortgage loans**, which account for 83 per cent of total on-balance sheet loans, increased by €199 million in the month (Chart 1). Seasonal effects impact the quarterly figure. In year-on-year terms, net mortgage lending rose by €45 million, representing the second consecutive month of marginally positive annual growth since 2010.
- **Non-housing loans** increased by 1.8 per cent in annual terms to end-December, marking 14 consecutive months of annual growth. The main driver was drawdowns of loans for consumption purposes, which exceeded repayments by €534 million in the year to end-December, increasing by 4.4 per cent. Loans for other purposes recorded a negative net flow in 2017, with repayments over the past year exceeding drawdowns by €263 million.
- **Deposits from households** increased in net terms by €719 million in the month, continuing a seasonal trend of positive growth in the month of December that has been evident in recent years. In annual terms, household deposit lodgements were €3.3 billion higher than withdrawals, representing growth of 3.4 per cent over the year (Chart 2). Household deposits exceeded €100 billion for the fourth consecutive month at end-December.
- **Developments in loans and deposits mean that Irish households continued to be net funders of the Irish banking system.** Banks held €10.8 billion more in household deposits than loans at end-December (Chart 3). In contrast, household loans exceeded deposits by €72.6 billion in May 2008.

Chart 1: Loans to Households; developments in net flows



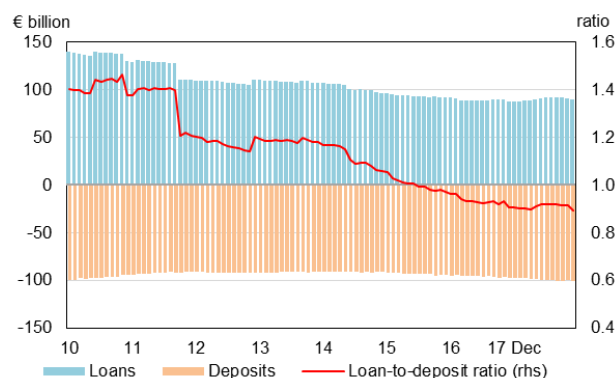
Source: Money and Banking [Table A.1](#)

Chart 2: Deposits from Households; developments in net flows, and annual rate of change



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

Chart 3: Household loans and deposits; outstanding stock and LDR



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

² See Note 2 on page 4.

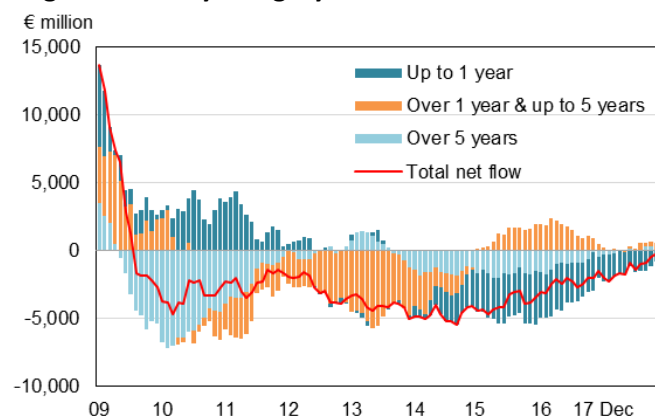
Developments in NFC credit and deposits

- **Net lending to NFCs** declined by €4 million, in annual terms to end-December; the lowest level of annual decline since July 2009. There was an €89 million decrease in net lending in the month, continuing a 10-year trend of declines in the month of December.
- Medium-term NFC net lending grew, on a monthly basis, for the third consecutive month. Medium and long-term NFC lending increased on an annual basis for the seventh consecutive month. In contrast, short-term lending fell on both a monthly and an annual basis, declining by €16 million in December, and €1.1 billion over 2017 (Chart 4).
- **NFC deposits** decreased by €26 million in net terms in December (Chart 5), following a decrease of €1.3 billion in November. At end-December, NFC deposits stood at €49.6 billion.
- Total NFC deposits grew by 10.4 per cent annually to end-December, continuing the trend of annual growth in corporate deposits observed since 2012.

Developments in other counterparty sectors

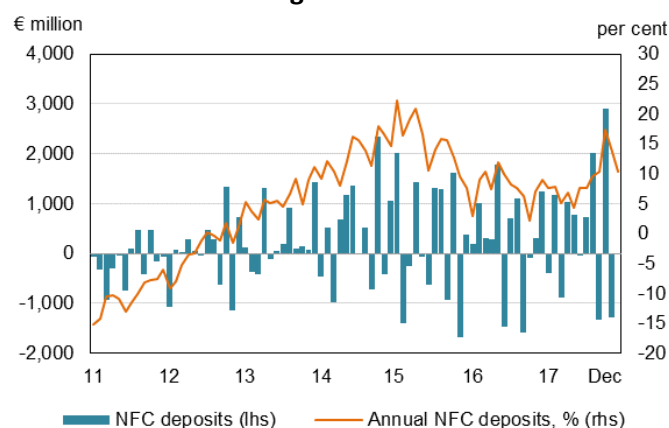
- **Total lending** decreased by 1.3 per cent in the year to end-December (Chart 6), largely due to a reduction in loans to MFIs. Lending to the private sector, which accounts for 76 per cent of banks' loan books, increased by 0.9 per cent annually.
- Credit institutions' holdings of Irish-issued **debt and equity securities** decreased by €407 million in December.
- **Irish-resident banks' borrowings from the Central Bank as part of Eurosystem monetary policy operations** remained unchanged at €7.5 billion in December, with domestic market banks accounting for 99 per cent of this.

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



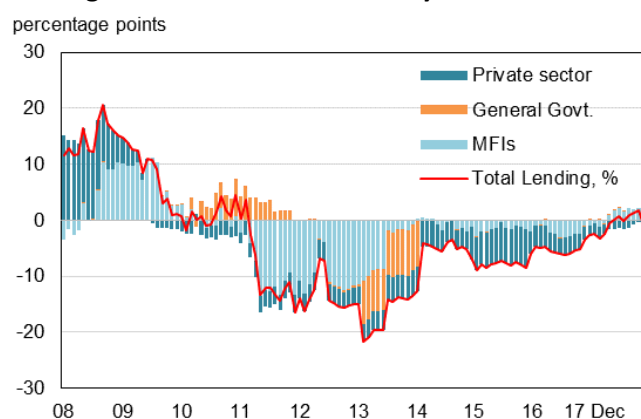
Source: Money and Banking [Table A.5](#)

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



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

Chart 6: Contributions of Irish resident counterparts to annual growth in loans advanced by Irish banks



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](#).

Note 2:

This measure of lending includes repayments on serviced loans which no longer appear on the balance sheet due to derecognition and transfer. See [Table A.6](#).

Keywords:

Money and Banking Statistics, Irish Financial Statistics, Loans, Deposits, Household Debt, Mortgage, Consumer, Repayments, Securitisations.