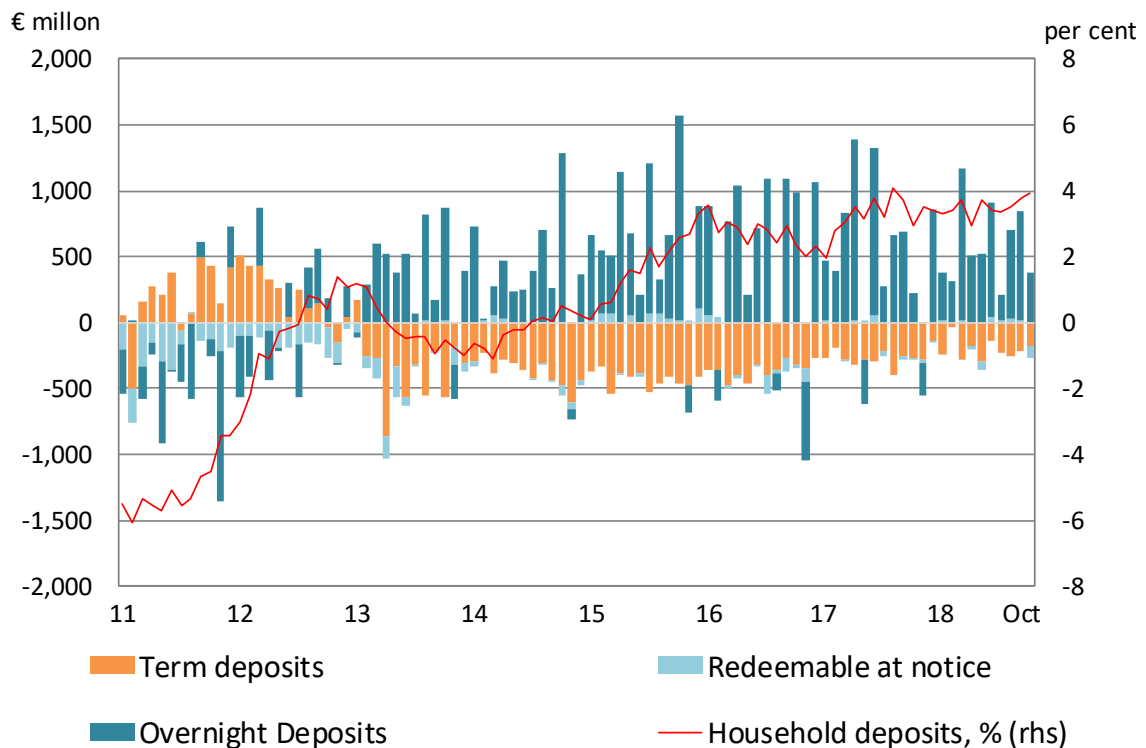




## Money and Banking Statistics<sup>1</sup> – October 2018

Overnight deposits continued to drive overall household deposit growth in October, while term deposits continued their long-term decline. Overnight deposits (including current accounts) made up almost 80 per cent of total outstanding household deposits at end-October, up from under 50 per cent in 2008.

Deposits from Households; developments in net flows by category, and annual rate of change



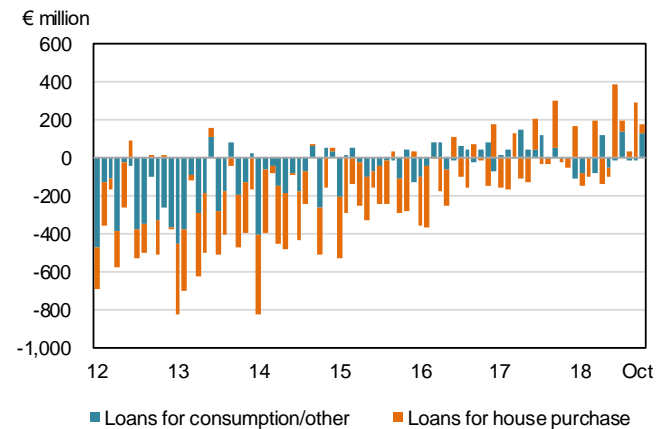
Source: Money and Banking [Table A11.1](#)

<sup>1</sup> See note 1 on page 4.

### Developments in Household credit and deposits

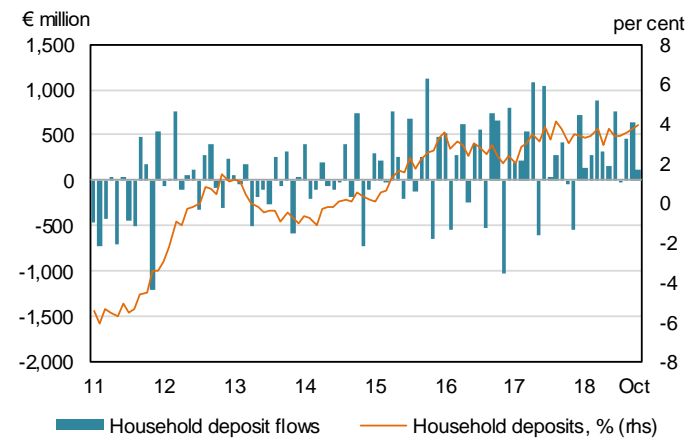
- **Net mortgage lending** was €47 million in October, the fifth consecutive month of positive net lending (Chart 1). Annual growth was 1.1 per cent, the highest since December 2009. Mortgages made up 84 per cent of on-balance sheet loans.
- **Net consumer lending** was €195 million in October. New lending exceeded repayments by €228 million in the twelve-month period to end-October. After slowing over the past year, the annual rate of growth increased in October to 1.8 per cent.
- **Net lending for other purposes**, such as lending for education, was negative in October, with repayments exceeding new lending by €64 million. The annual rate of growth remained negative at minus 9.6 per cent.
- **Including serviced off-balance sheet loans, the growth rate of total household lending** remained negative at minus 1.2 per cent in October.<sup>2</sup>
- **Deposits from households** recorded a net inflow of €124 million in October. In annual terms, lodgements of household deposits were €3.9 billion higher than withdrawals, with annual growth at 3.9 per cent (Chart 2). Overnight deposits, which includes current accounts, drove this increase. Deposits of other maturity categories and redeemable at notice deposits continued to record negative net flows during the month.
- **Irish households continued to be net funders of the banking system.** Banks held €10.6 billion more in household deposits than loans at end-October, with the loan-to-deposit ratio standing at 0.9 (Chart 3).

**Chart 1: Loans to Households; developments in net flows**



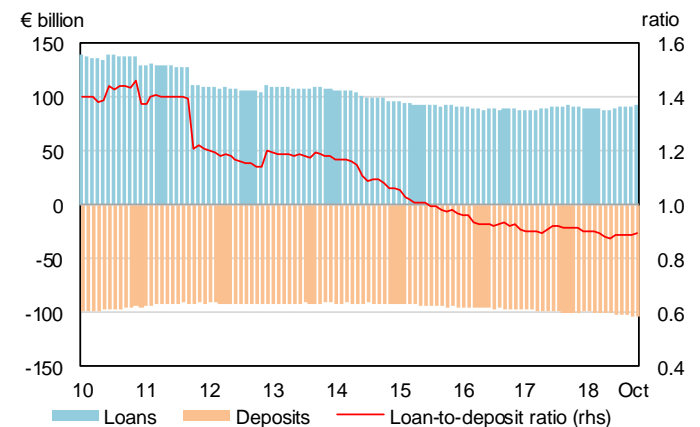
Source: Money and Banking [Table A.1](#)

**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](#)

<sup>2</sup> See Note 2 on page 4.

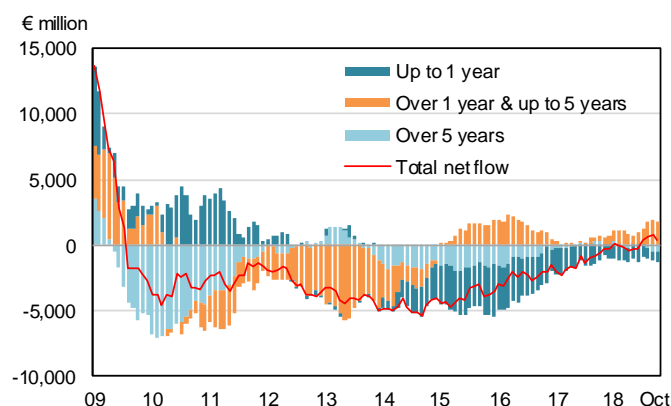
### Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** was negative in October, with repayments exceeding new lending by €148 million. On an annual basis, net lending remained positive at €434 million, resulting in an annual growth rate of 1.1 per cent.
- **Lending for between one and five years** was the only maturity category to record a positive annual net flow (Chart 4). The annual rate of growth was 12.7 per cent. The rate of change in short-term and long-term lending remained negative at minus 7.9 per cent and minus 3 per cent, respectively, in year-on-year terms.
- **NFC deposits** recorded a monthly net inflow of €559 million in October (Chart 5). The annual rate of growth was 1.2 per cent, the lowest since December 2012.

### Developments in other counterparty sectors

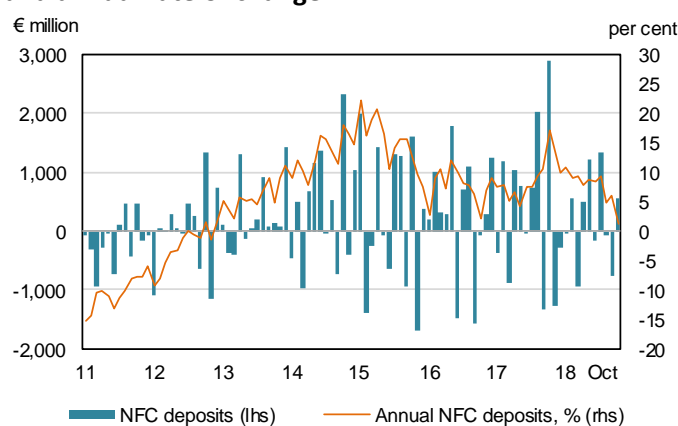
- **Annual growth in total bank lending remained negative at end-October at minus 0.8 per cent**, driven by continued weakness in lending to monetary financial institutions (Chart 6). Lending to the private sector, which accounted for 77 per cent of outstanding loans, recorded annual growth of 1.4 per cent.
- **Credit institutions' holdings of Irish-issued debt and equity securities** declined by €2.9 billion, or 4.5 per cent, in the year to end-October.
- **Irish-resident banks' outstanding borrowing from the Central Bank as part of Eurosystem monetary policy operations** was almost unchanged on the month at €3.3 billion in October. This remains near the lowest level of borrowing from the Central Bank since the series began in 2003, and is down from a peak of €138.2 billion in 2010.

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



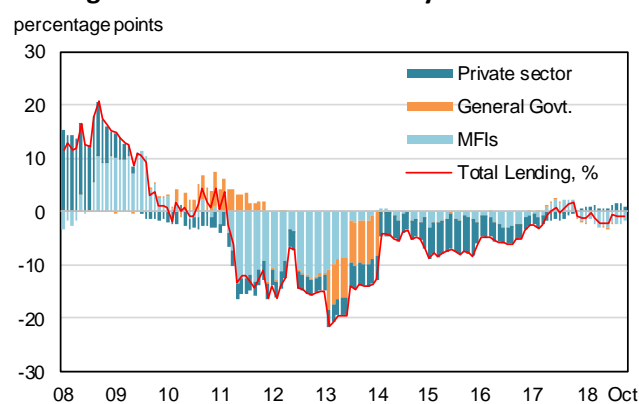
Source: Money and Banking [Table A.5](#)

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.