

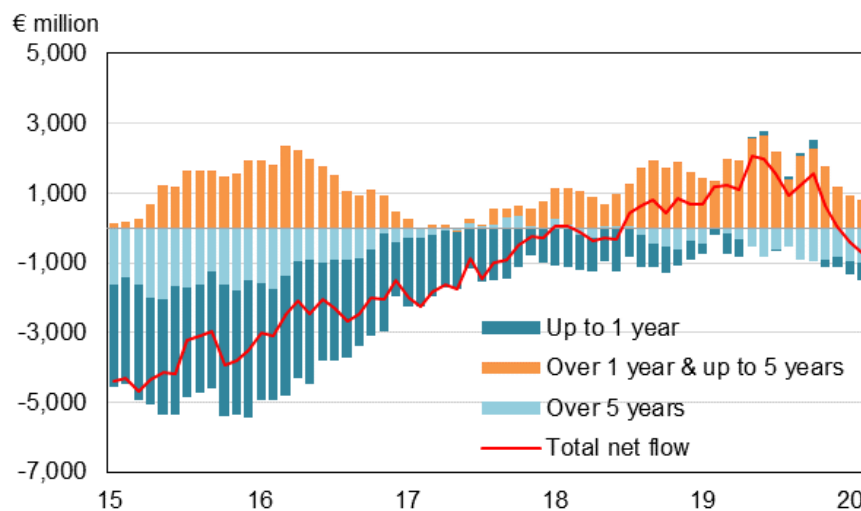


Money and Banking Statistics¹ – February 2020

The end-February 2020 Money and Banking Statistics coincides with the first identified cases of the COVID-19 virus in Ireland. Therefore, the potential impact on the statistical series will not yet be visible in the data. The next release of the Money and Banking Statistics with reference to end-March 2020 is scheduled for publication on April 30th 2020. The Central Bank of Ireland Statistics Division will continue to collect and publish statistics for users to the greatest extent possible during this crisis.

Net lending to non-financial corporations (NFCs) has decreased in recent months on an annual basis after experiencing positive growth through most of 2018 and 2019. The decline is primarily due to a slowdown in the growth of medium term loans, which remain positive on an annual basis. Non-Financial Corporates continued to pay down long-term loans, with short-term loans of under 1 year also declining in recent months.

Loans to Non-Financial Corporates; net flows (12-month sum) by original maturity category



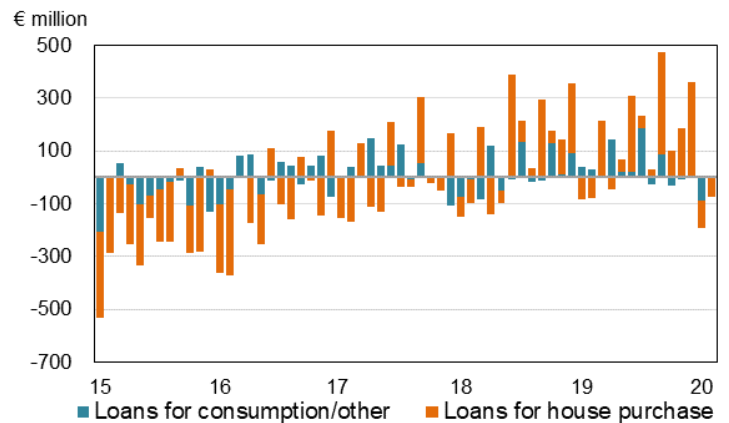
Source: Money and Banking [Table A.5](#)

¹ See note 1 on page 4.

Developments in Household credit and deposits

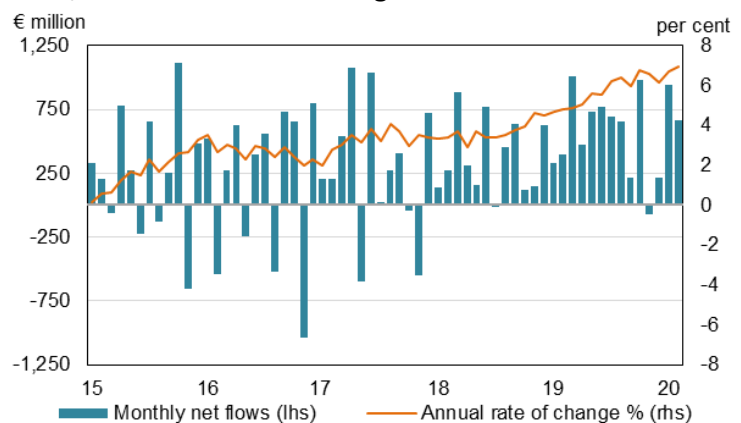
- **Bank lending to households** recorded an annual growth rate of 1.9 per cent to end February 2020. This compares to a growth rate of 1.6 per cent over the year to end February 2019. Net lending to Irish Households declined by €74 million during the month of February.
- The monthly variation in loans to households was most likely driven by normal seasonal decreases in **loans for house purchase**, which decreased in net terms by €75 million in February. The annual increase was €1.4 billion, or 1.9 per cent, to end-February 2020. This compares with an increase of €1.1 billion, or 1.4 per cent in the twelve months to end-February 2019 (Chart 1).
- **Consumer lending** increased by €27 million in net terms in February. On an annual basis, new lending exceeded repayments by €430 million, or 3.2 per cent.
- **Deposits from households** recorded a net inflow of €662 million in February, continuing the strong household deposit growth evident in recent years. In annual terms, lodgements of household deposits were €7.3 billion higher than withdrawals, representing a growth rate of 6.9 per cent over the year (Chart 2).
- **Overnight deposits**, which includes current accounts, were the main driver of the increase in household deposits as savers continue to favour shorter-term deposit accounts. Overnight deposits recorded a monthly net inflow of €905 million into Irish banks in January. (Chart 3).
- **Principal-Dwelling House (PDH) fixed-rate** mortgages continued to increase in the last quarter of 2019, resulting in consistent growth in the series.

Chart 1: Loans to Households; developments in net flows



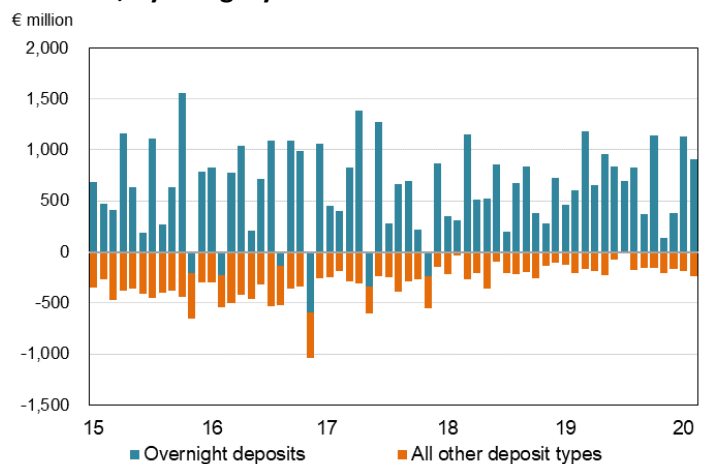
Source: Money and Banking [Table A.1](#)

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



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

Chart 3: Household deposits; monthly developments in net flows, by category



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

- Conversely, **PDH floating-rate** mortgages, which currently represent 62 per cent of the PDH market, continued to decline.
- **BTL floating-rate** mortgages also continued to decline with tracker mortgages being the main driver of the fall.

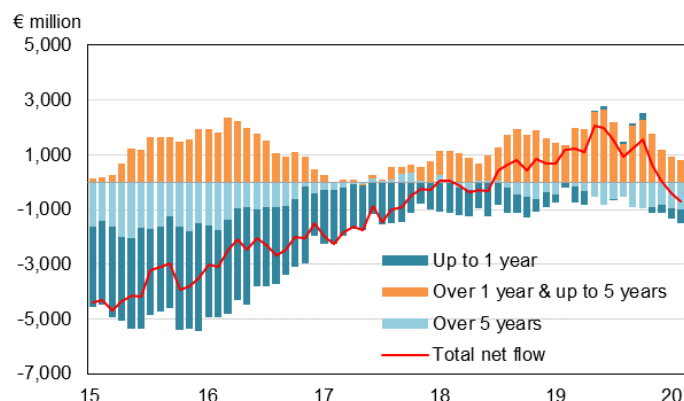
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** decreased by €211 million in February. This was mainly driven by a reduction in loans of up to one year which fell by €201 million (Chart 4).
- **NFC deposits** decreased by €501 million in February in net terms. This was driven by a €286 million decrease in deposits with agreed maturity of up to 2 years. Annual NFC deposit growth has been consistently positive in recent years, and grew by 13.1 per cent in the 12 months to February (Chart 5).

Developments in other counterparty sectors

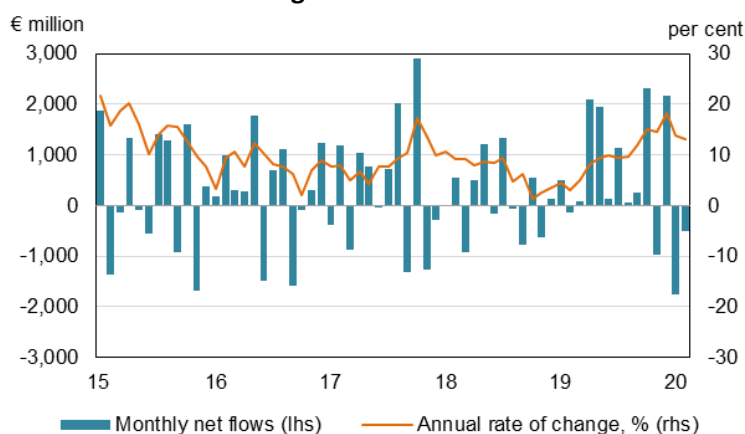
- **The annual growth rate in total bank lending** declined in February by 2.4 per cent (Chart 6), driven by a decline in lending to monetary financial institutions. Lending to the private sector, which accounts for 80 per cent of banks' loan books, declined by 0.5 per cent in the twelve months to February 2020.
- **Credit institutions' holdings of Irish-issued debt and equity securities** decreased in net terms by €128 million in February. On an annual basis this declined by 10.5 per cent, continuing a trend of declines observed since 2012.

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



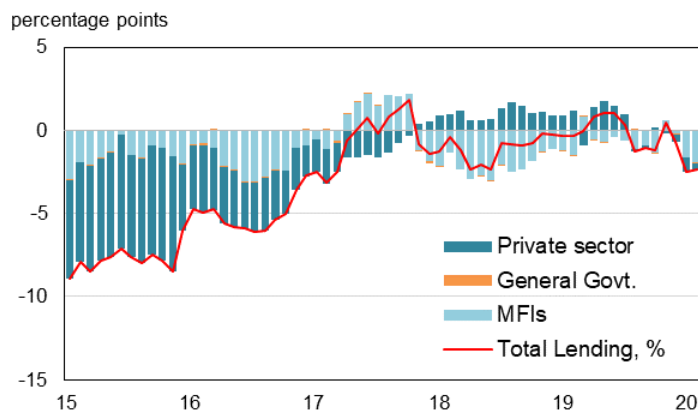
Source: Money and Banking [Table A.5](#)

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](#).

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

Keywords:

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