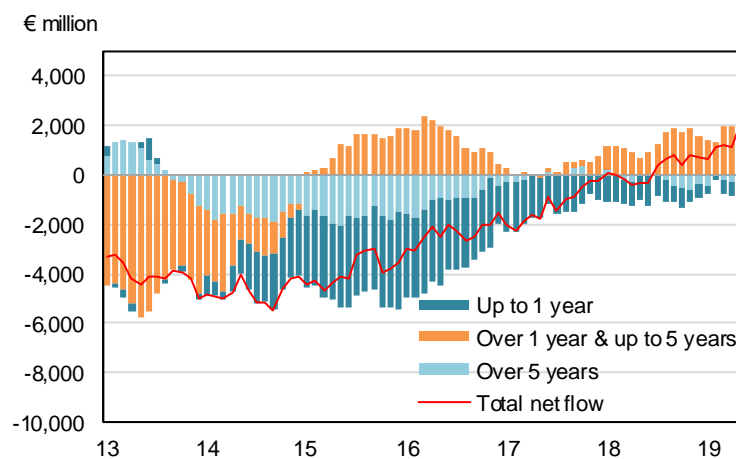




Money and Banking Statistics¹ – May 2019

Net lending to non-financial corporations (NFCs) remained positive, with drawdowns exceeding loan repayments by over €2 billion since May 2018. This is the largest positive annual net lending figure seen since the middle of 2009.

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



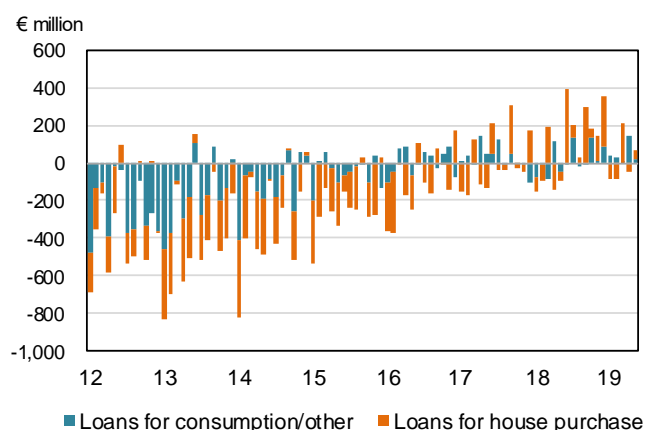
Source: Money and Banking [Table A.5](#)

¹ See note 1 on page 4.

Developments in Household credit and deposits

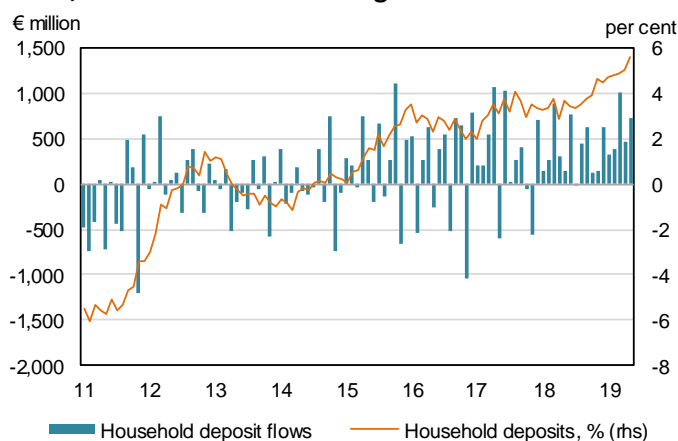
- **New lending to Irish households** by credit institutions exceeded repayments by €69 million in May. Net lending grew by €1.8 billion in the twelve months to May, representing the largest annual increase in household lending since July 2009.
- **Loans for house purchase** increased in net terms by €48 million in May (Chart 1). This reverses the decrease recorded in April. Net lending was €1.3 billion in the year to end-May, marking the largest annual net increase in loans for house purchase since end-2009.
- **Consumer lending** continued to record positive net flows in May. Annually, new lending exceeded repayments by €680 million. A series-high in new drawdowns of consumer car finance contributed to this increase.
- **Household deposits** recorded a net inflow of €728 million in May. In annual terms, lodgements were €5.7 billion higher than withdrawals, representing growth of 5.6 per cent in total household deposits with credit institutions over the year (Chart 2).
- **Overnight deposits**, which include current accounts, were the main driver of the increase within household deposits. They recorded an increase of €956 million in May and grew by €7.8 billion, or 9.9 per cent in annual terms. This was somewhat offset by declines in deposit categories with an agreed maturity, such as those with a maturity of up to two years which fell by €1.5 billion over the year.
- **Irish households continued to be net funders of the banking system.** Banks held €17.3 billion more in household deposits than loans at end-May. The on-balance sheet loan to deposit ratio continues to fall, as it has done consistently in recent years, and now stands at an all-time low of 0.84 (Chart 3).

Chart 1: Loans to Households; developments in net flows



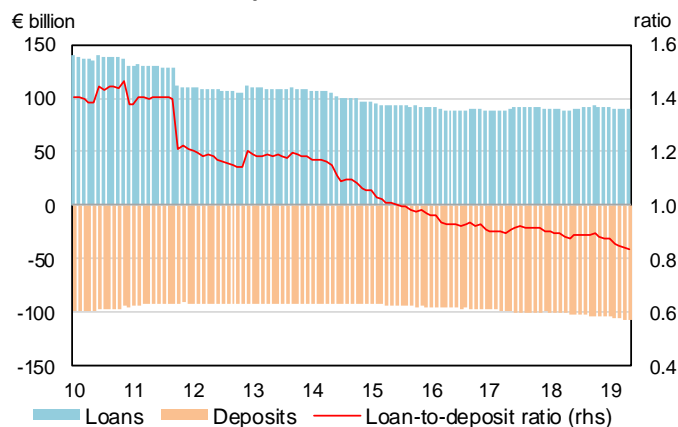
Source: Money and Banking [Table A.1](#)

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 loan to deposit ratio



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

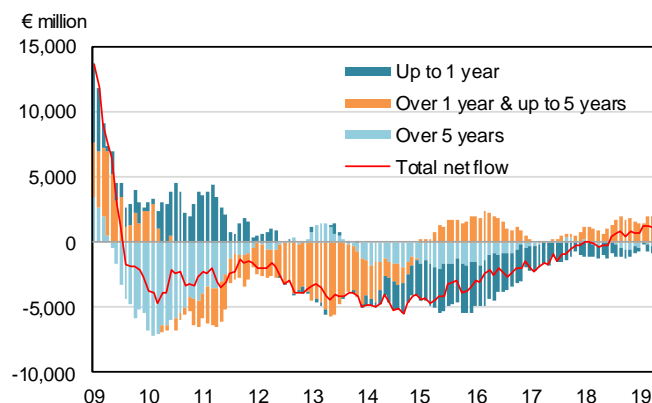
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** increased by €844 million in May, signifying the largest monthly increase recorded within the last six months. In annual terms, net NFC lending was €2 billion, representing the largest annual increase since mid-2009.
- The monthly and annual increases in NFC loans were mainly attributable to medium-term loans. In annual terms, medium-term loans grew by €2.6 billion, the largest annual increase since early 2010 (chart 4).
- **NFC deposits** recorded a monthly net inflow of €2 billion in May. This was predominantly driven by an increase of €1.7 billion in overnight deposits and repurchase agreements. In annual terms NFC deposits increased by €4.9 billion, marking the largest annual increase in NFC deposits since late 2017 (Chart 5).

Developments in other counterparty sectors

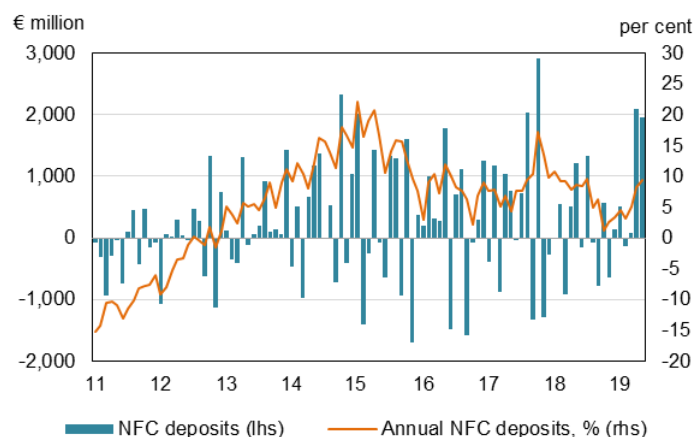
- **Annual growth in total bank lending** increased by 1 per cent, with the continued declines in lending to monetary financial institutions (MFIs) being largely offset by increases in lending to the private sector (Chart 6).
- **Credit institutions' holdings of Irish-issued debt and equity securities** decreased in net terms by €213 million in May.
- **Irish-resident banks' outstanding borrowing from the Central Bank as part of Eurosystem monetary policy operations** remained stable at €3 billion in May.

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



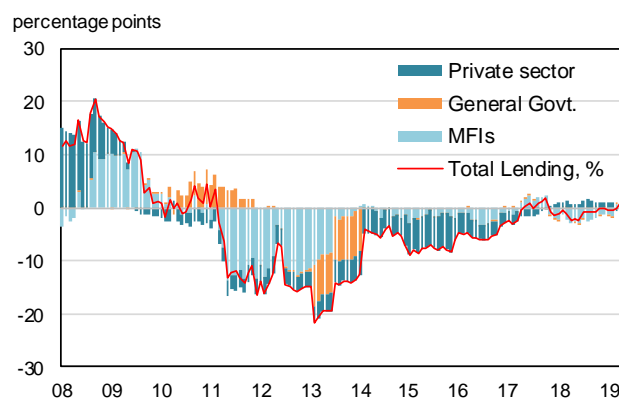
Source: Money and Banking [Table A.5](#)

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.