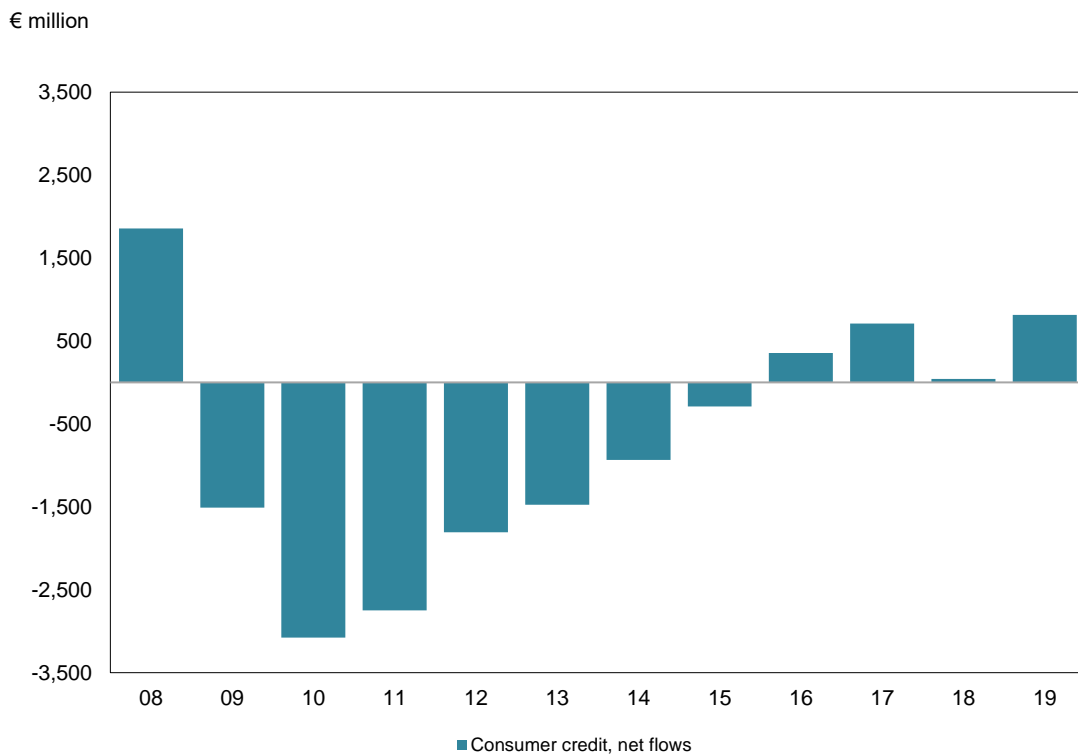




Money and Banking Statistics¹ – September 2019

Lending to households for consumption continued to increase on an annual basis, growing by 6.3 per cent or €816 million over the year to September. This increase marked the largest annual increase since December 2008.

Loans to Irish residents for consumption purposes, 12-month net flows to end-September

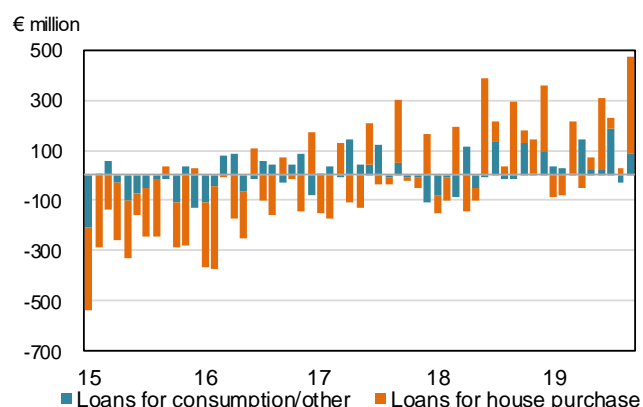


¹ See note 1 on page 4.

Developments in Household credit and deposits

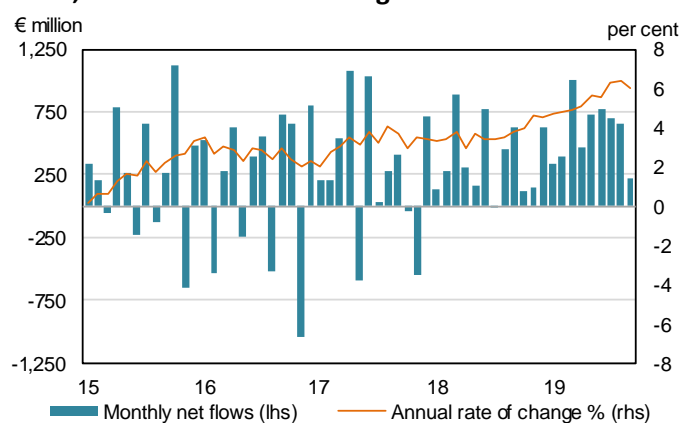
- **New lending to Irish households** by credit institutions exceeded repayments by €473 million in September representing the largest monthly increase since June 2009. Loans to households recorded growth of 2.2 per cent over the year to September 2019; this compares to growth of 0.7 per cent over the year to September 2018.
- **Loans for house purchase** increased in net terms by €388 million in September (Chart 1). Annual growth in the year to end September was €1.2 billion, or 1.7 per cent.
- **Consumer lending** was €65 million in September. On an annual basis, new lending exceeded repayments by €816 million, signifying the largest annual increase within consumer lending since December 2008.
- **Deposits from households** recorded a net inflow of €213 million in September. In annual terms, household deposits increased by €6.2 billion, recording an annual growth rate of 6 per cent.
- **Overnight deposits** were the predominant driver within the monthly and annual increases in household deposits. They recorded an increase of €367 million in September and grew by almost €8 billion, or 9.8 per cent in annual terms.
- **Irish households continued to be net funders of the banking system.** At end-September, banks held €17.6 billion more in household deposits than loans. The on-balance sheet household loan to deposit ratio remained at 0.84 (Chart 3).

Chart 1: Loans to Households; developments in net flows



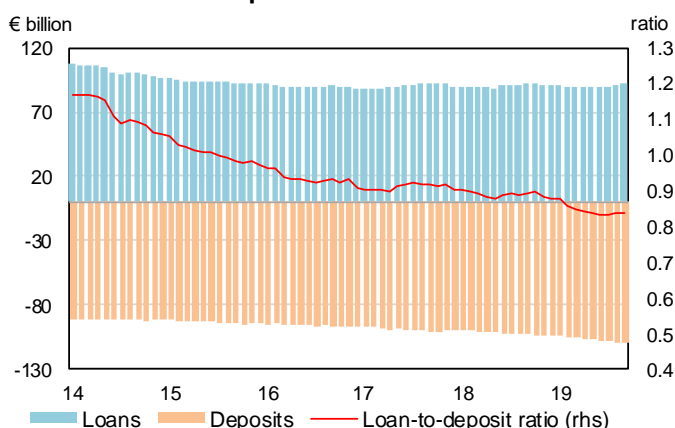
Source: Money and Banking [Table A.1](#)

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](#)

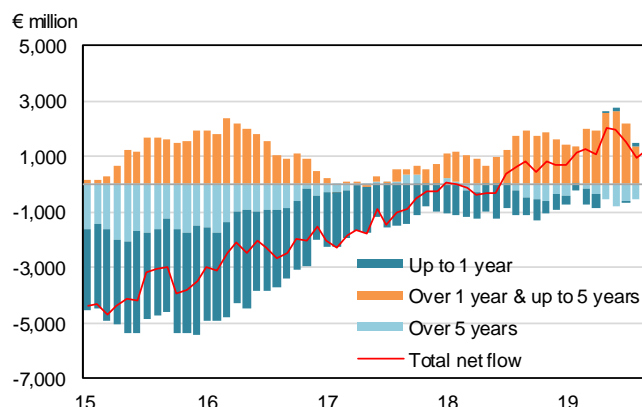
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** was €499 million in September. Annually, new lending exceeded drawdowns by €1.2 billion. Medium-term loans continued to drive the monthly and annual growth in lending to NFCs. In annual terms, medium-term loans grew by 14.1 per cent, continuing a positive growth rate which has been observed since mid-2017 (chart 4).
- **NFC deposits** increased by €253 million in September in net terms, driven by a €625 million increase in overnight deposits and repurchase agreements. Annual NFC net deposit growth has been consistently positive in recent years, and grew by 11.8 per cent in the 12 months to September (Chart 5).

Developments in other counterparty sectors

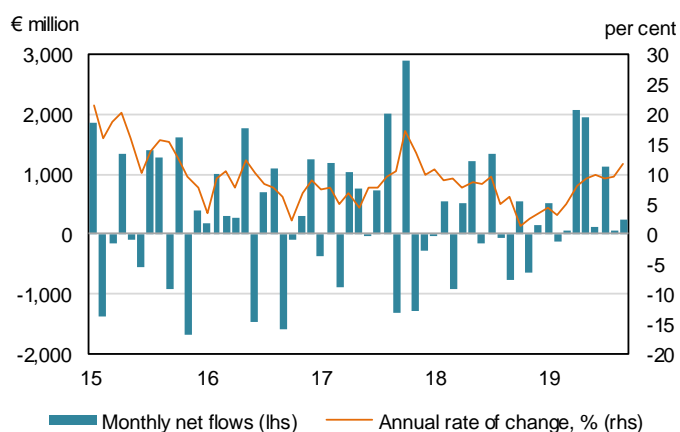
- **Annual growth in total bank lending** slowed in the month, showing a decline of 1 per cent. There was a continued reduction in lending to monetary financial institutions (MFIs), which was due to a decline in lending to their bank affiliates. Lending to the private sector declined by 0.1 per cent (Chart 6).
- **Credit institutions' holdings of Irish-issued debt and equity securities** increased in net terms by €44 million in September. However, on an annual basis, this declined by €6 billion or 9.5 per cent, continuing a trend of declines since 2012.
- **Irish-resident banks' outstanding borrowing from the Central Bank as part of Eurosystem monetary policy operations** reached a series low in September of €2 billion. In contrast, a series high of €138 billion was recorded in November 2009.

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



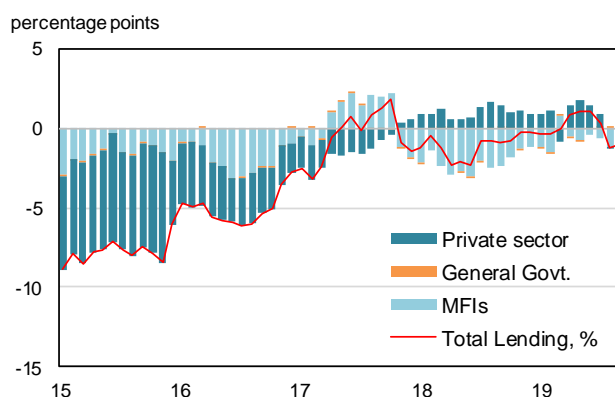
Source: Money and Banking [Table A.5](#)

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.