

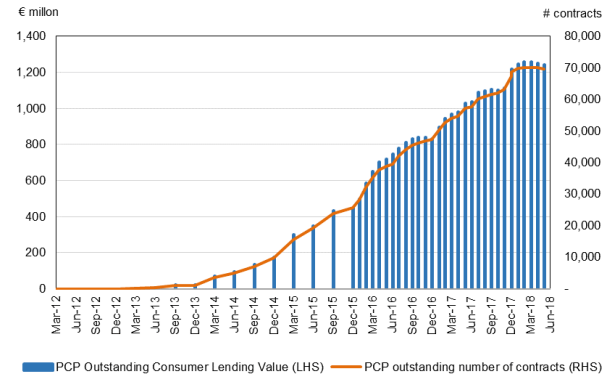


13 September 2018

Car Finance Statistics H1 2018

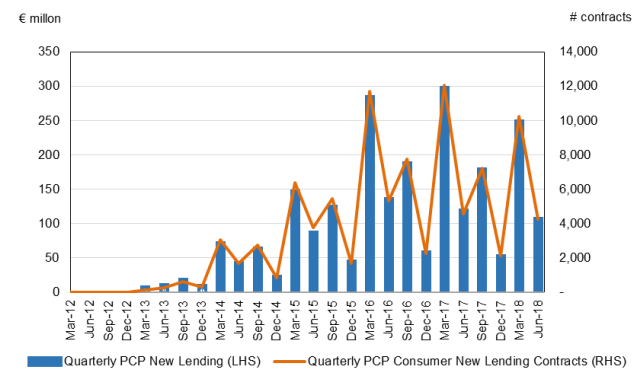
- Central Bank of Ireland data show that there was €347 million of new lending in personal contract plans (PCPs) in the first 6 months of 2018, 15 per cent lower than the same period in 2017.
- Outstanding bank lending for PCPs shows that levels of both outstanding PCP contracts and lending amounts were flat in H1 2018 (Chart 1).¹ There was significant growth evident in the periods prior to 2018 however.²
- SIMI figures show that total new car sales are down 4.5 per cent for the first half of 2018 in comparison to the same period in 2017.³ As PCP financing is used predominantly for new cars, the lower new car sales is likely to have had an effect on PCP lending amounts (Chart 2).
- The total outstanding value of bank car finance has increased since 2012 (Chart 3). The increase in previous years was driven largely by PCPs, which grew to reach almost 40 per cent of all outstanding car finance lending. In the last six months however, the proportion of PCPs in overall lending has declined to 35 per cent. This is due to a combination of flat PCP growth, as seen above, alongside continued increases in other categories of car finance.

Chart 1: PCP outstanding consumer lending value and number of contracts



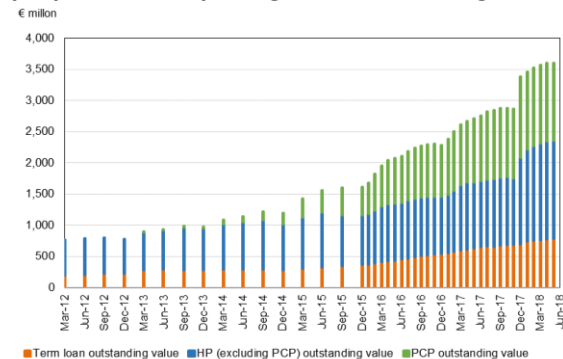
Source: Money and Banking [Table A.19](#)

Chart 2: Quarterly PCP consumer new lending



Source: Money and Banking [Table A.19](#)

Chart 3: Total outstanding value of car finance and proportion comprising PCP outstanding lending



Source: Money and Banking [Table A.19](#)

¹ Please see note 1 on page 2

² Please see note 2 on page 2

³ SIMI (2018), Motorstats – the official statistics of the Irish Motor Industry. Available from: <https://stats.beepbeep.ie/>



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Note 1:

The Central Bank of Ireland car finance data shows the breakdown of consumer credit into term loans, hire purchase loans, and PCP loans as a sub-sector of hire purchase loans. The reporting population covered in the car-finance data collection are all credit institutions resident in Ireland, excluding credit unions.

Note 2:

Differences to previously reported data are due to changes in the reporting population and revisions to data in the existing population. While the revision impacted a number of categories, there were large downward revisions to the number of outstanding PCP contracts from one reporting agent.