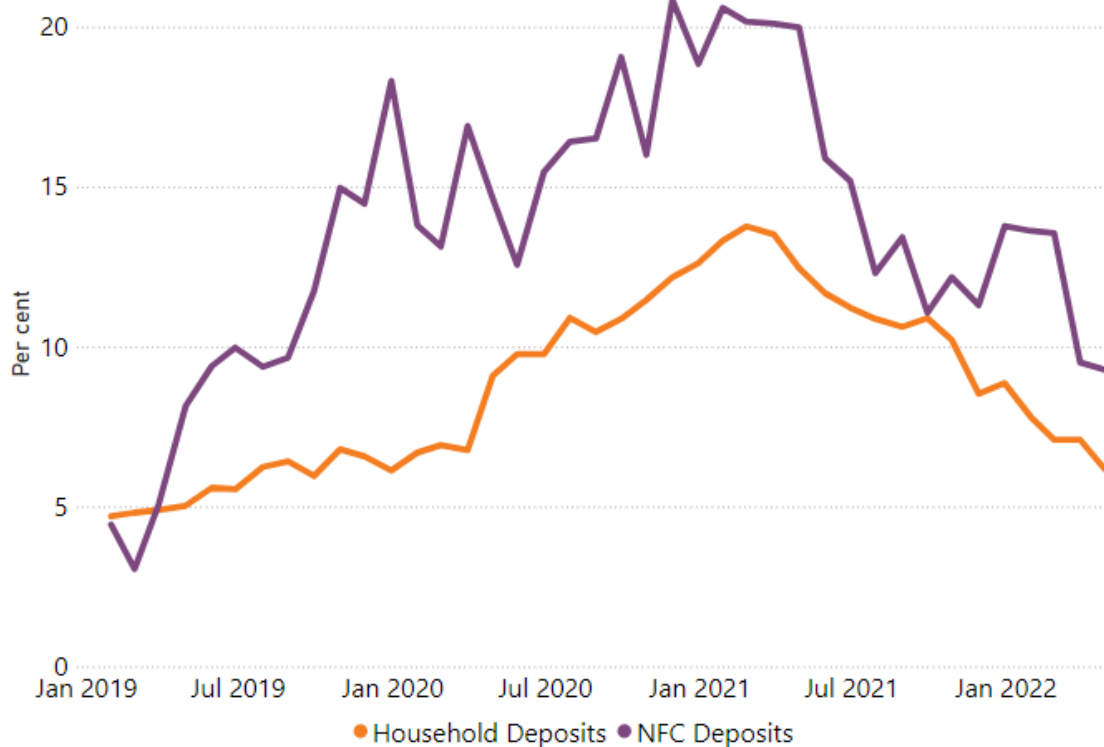




## Money and Banking Statistics<sup>1</sup> – April 2022

Household deposits increased by almost €1.2 billion in April 2022. The annual growth rate has however fallen from the highs seen during Covid-19. The 6.2 per cent annual growth in household deposits in April 2022 was similar to the pre-pandemic period in late 2019.

**Deposits from Irish resident Households and Non-Financial Corporations; annual rate of change (Jan 2019 to Apr 2022)**



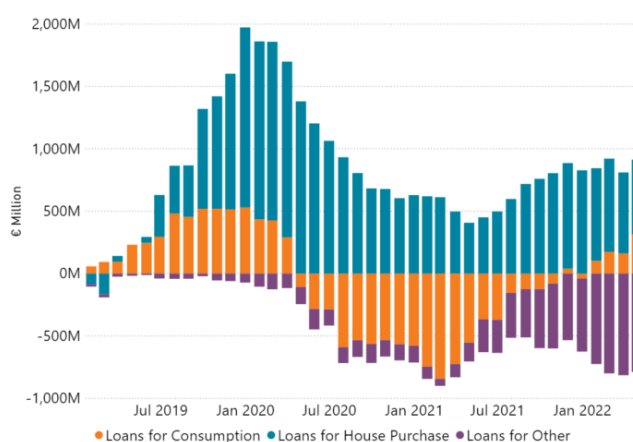
Source: Money and Banking [Table A.1](#)

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

### Developments in Household credit and deposits

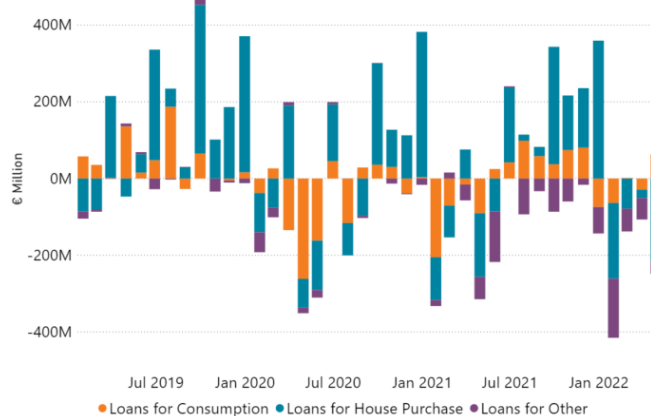
- Net lending to households** decreased by €186 million in April 2022. The decline was primarily driven by decreases in outstanding loans for house purchase, where repayments exceeded new drawdowns by €216 million. In annual terms, net mortgage lending remains positive, with new drawdowns exceeding repayments by €598 million (Chart 1) over the 12 months. The annual growth rate in outstanding loans for house purchase was 0.9 per cent at end-April 2022, continuing the positive growth recorded since late 2017.
- Consumer lending** recorded a net increase of €63 million in April 2022 (Chart 2). Annual growth in consumer loans continues to grow, increasing by €316 million or 2.8 per cent, in the year to end-April 2022.
- Deposits from households** increased by almost €1.2 billion in April 2022 (Chart 3). In annual terms, net household deposits increased by €8.4 billion or 6.2 per cent. Despite the fact that annual growth remains strongly positive, it has slowed from a peak of 13.8 per cent recorded in February 2021, and is now growing at similar rates to the pre-pandemic period.
- Overnight deposits, which include current accounts, continue to be the driver of the annual increases in household deposits, with declines seen in holdings of longer-term savings accounts.

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



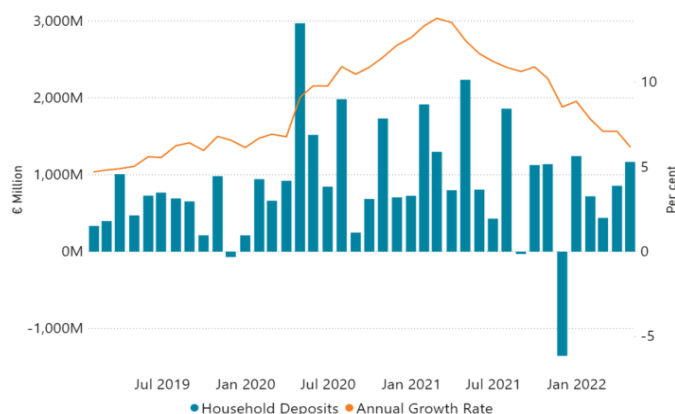
Source: Money and Banking [Table A.1](#)

**Chart 2: Loans to households; developments in monthly net flows**



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

**Chart 3: Deposits from Irish resident households; development in net flows, and annual rate of change**



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

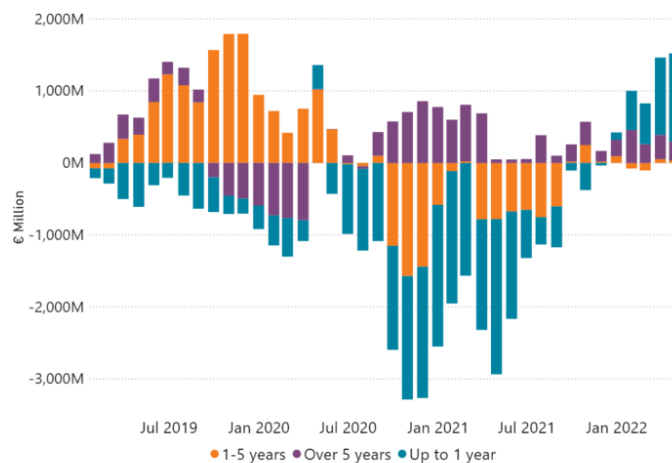
### Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** amounted to €343 million in April 2022. On an annual basis, NFC loan drawdowns exceeded repayments by over €1.5 billion, amounting to a growth rate of 5 per cent (Chart 4).
- **Deposits from NFCs** increased by almost €1.2 billion in April 2022. On an annual basis, NFC deposits increased by over €6.5 billion, representing an annual growth rate of 9.3 per cent. This rate has now been positive since 2012, though the rate has declined from the 20.9 per cent recorded in November 2020 (Chart 5).

### Developments in other counterparty sectors

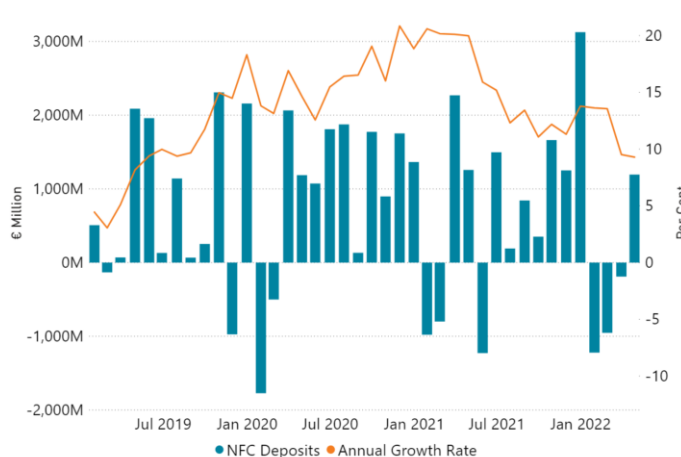
- **Total bank lending** to Irish resident sectors increased by 3.5 per cent in the year to end-April 2022, driven by an increase in lending to monetary financial institutions.
- **Banks' holdings of deposits** from the Irish resident private sector continued to record strong inflows, with annual growth at 7.8 per cent as at end-April 2022. Irish resident households remain the largest contributing sector to deposits on banks' aggregate balance sheet.
- **Irish-resident banks' outstanding borrowing from the Central Bank as part of Eurosystem monetary policy operations** decreased very slightly in April 2022, and now stands at just under €21.4 billion.

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



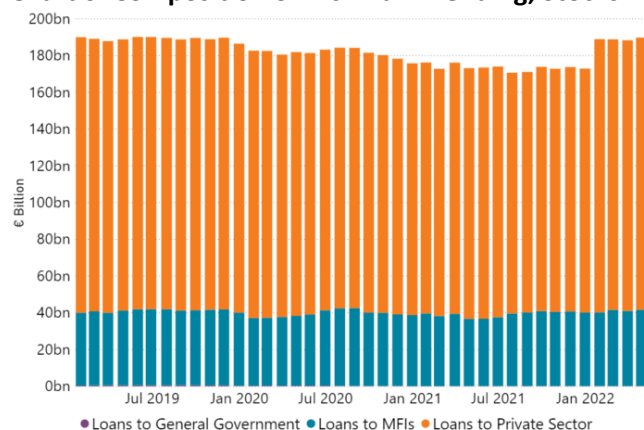
Source: Money and Banking [Table A.5](#)

**Chart 5: Deposits from NFCs; developments in net flows, and annual rate of change**



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

**Chart 6: Composition of Irish Bank Lending; Stocks**



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.

**Note 2:**

A number of lenders have agreed payment breaks with their customers since the onset of the COVID-19 crisis. These breaks are likely to significantly affect the Money and Banking lending data in this period, predominantly by keeping outstanding loan balances higher than they would be, had repayments followed their initial schedule. As well as this, on-quarter months' data is affected by quarterly interest capitalisation, which increases balances in on-quarter months.

**Note 3:**

Convenience credit debt is defined as the credit granted at an interest rate of 0 per cent in the period between payment transaction(s) undertaken with the card during one billing cycle and the date at which debit balances from the specific billing cycle becomes due. Extended credit debt is defined as the credit granted after the due date(s) of the previous billing cycle(s) has/have passed, for which an interest rate is charged.

**Note 4:**

**Treatment of securitised loans**

As a result of an update to the ECB Regulation *'on the statistical reporting of balance sheet items of credit institutions and of the monetary financial institutions sector (recast) (ECB/2021/2)*,

there have been changes to how certain securitised loans are required to be classified for the purposes of statistical reporting. The below treatment, allowed under the previous Regulation, is no longer permitted under the updated Regulation:

*'MFIs (...) may be allowed by their NCB to exclude from the stocks (...) any loans disposed of by means of a securitisation in accordance with national practice (...)*'

The removal of this clause means that banks are now required to report all previously excluded securitised balances within their on-balance sheet stocks of outstanding loans.

This has resulted in an increase in the on-balance sheet stock of house purchase loans in tables such as Table A.1 and Table A.4. These securitised loans were already captured in Table A.6, which combined on-balance sheet and securitised loans since the series began in January 2003. This change does not impact on published transactions and growth rates for January 2022. As a result of this change, we will be discontinuing publication of table A.6 in the future.

**Statistical classification of sole proprietors**

In line with their treatment in ESA 2010, the Central Bank is harmonising the treatment of sole proprietors by reporting agents across various datasets. This has resulted in a reclassification of loans and deposits from the NFC to the Household sector. These amendments have been made with respect to January 2022 reference data, with revisions to historical data to follow. Specifically, these changes mean an increase in loan and deposit balances reported against the household sector, and a decline in balances reported against the NFC sector. This change does not impact on published transactions and growth rates for January 2022.