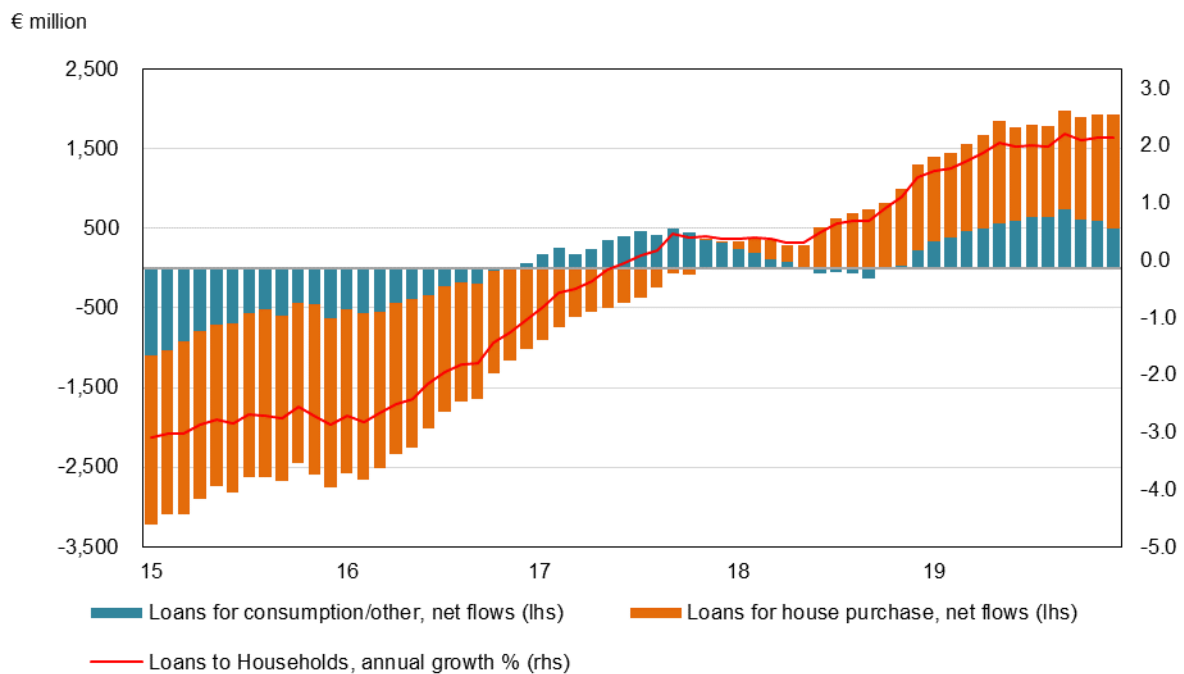




## Money and Banking Statistics<sup>1</sup> – December 2019

Lending to households grew by 2.1 per cent or €1.9 billion over the year to December 2019. This represents the third consecutive year of positive household loan growth rates, following the annual growth rate declines that occurred since December 2009. Lending for house purchase was the main driver behind this increase. The annual growth rate in lending for house purchase was 1.9 per cent, or €1.4 billion, in the year to end-December 2019.

### Loans to Households; developments in annual net flows and rate of change

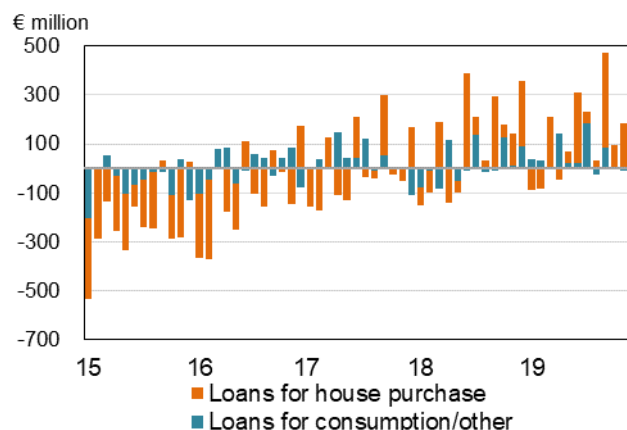


<sup>1</sup> See note 1 on page 4.

### Developments in Household credit and deposits

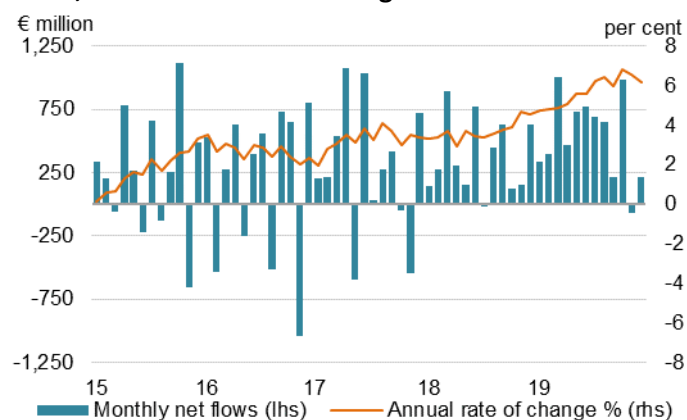
- **Bank lending to households** increased for the third consecutive year, recording a growth rate of 2.1 per cent over 2019. This compares to a growth rate of 1.4 per cent over the year to December 2018.
- During the month of December, net lending to Irish households was €360 million (Chart 1).
- The overall increase in loans to households continued to be driven by **loans for house purchase**, which increased in net terms by €355 million, in December, although seasonal effects influence the quarter-end figures. The annual increase was €1.4 billion, or 1.9 per cent, in December 2019. This compares with an increase of €1.1 billion, or 1.4 per cent in the twelve months to end-December 2018.
- **Consumer lending** increased by €16 million in December. On an annual basis, new lending exceeded repayments by €571 million, or 4.3 per cent. Lending in the one to five year maturity band continued to drive consumer-related lending.
- **Deposits from households** recorded a net inflow of €212 million in December, continuing a seasonal trend of positive inflows in the month of December that has been evident in recent years. In annual terms, lodgements of household deposits were €6.4 billion higher than withdrawals, representing a growth rate of 6.1 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 €378 million into Irish banks in December. (Chart 3).

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



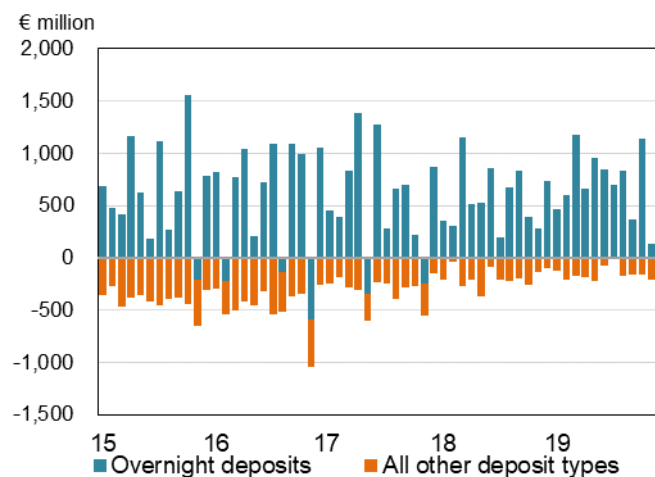
Source: Money and Banking [Table A.1](#)

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



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

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



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

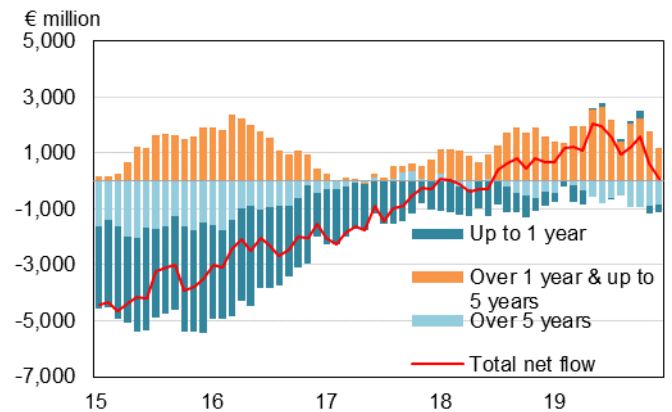
### Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** decreased by €1.1 billion in December. This was mainly driven by a reduction in loans of one to five year terms which decreased by €847 million (Chart 4). However, for 2019 as a whole, net lending in medium term loans remained positive at €1.2 billion.
- **NFC deposits** increased by €2.2 billion in December in net terms. This was driven by a €1.7 billion increase in overnight deposits and repurchase agreements. Annual NFC deposit growth has been consistently positive in recent years, and grew by 18.3 per cent in the 12 months to December (Chart 5).

### Developments in other counterparty sectors

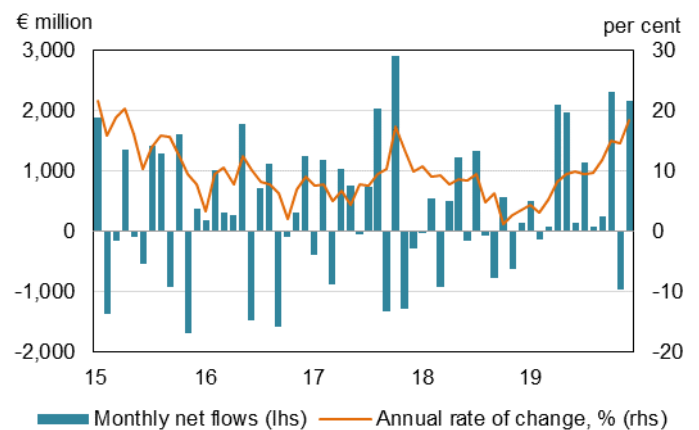
- **The annual growth rate in total bank lending** declined in December by 0.6 per cent (Chart 6), driven by a decline in lending to the private sector. Lending to the private sector, which accounts for 79 per cent of banks' loan books, declined by 0.5 per cent in the twelve months to December 2019.
- **Credit institutions' holdings of Irish-issued debt and equity securities** decreased in net terms by €1.3 billion in December. On an annual basis this declined by 14.6 per cent, continuing a trend of declines observed since 2012.

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



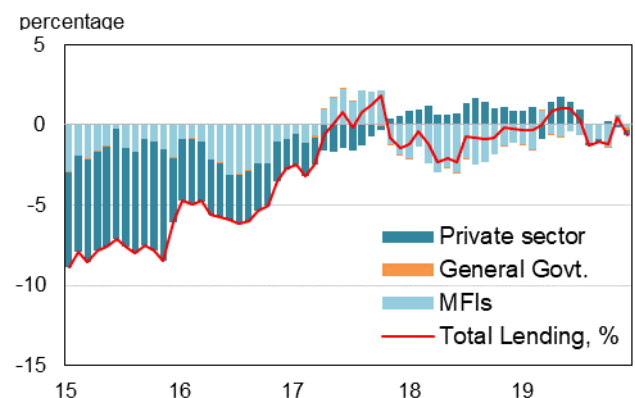
Source: Money and Banking [Table A.5](#)

**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.