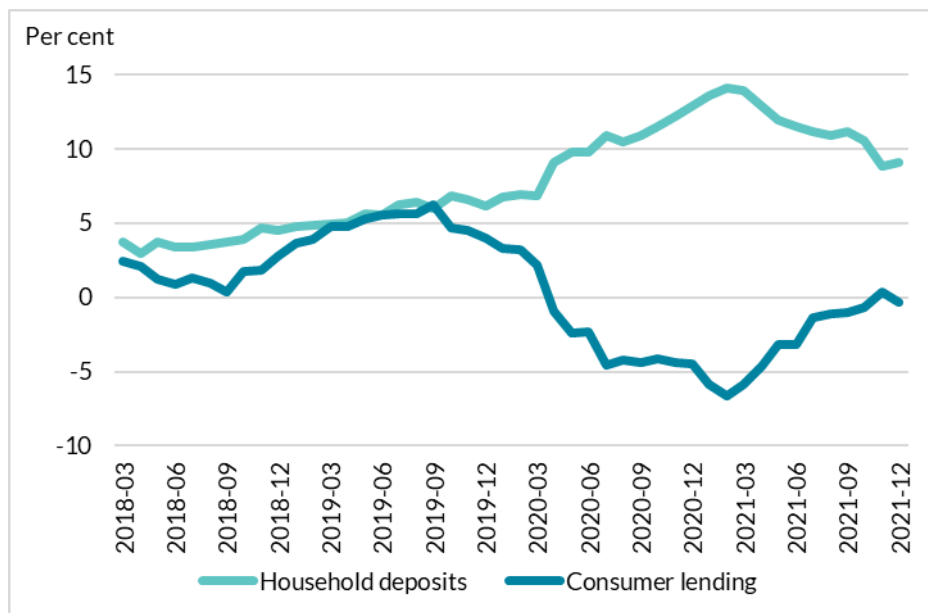




Money and Banking Statistics¹ – December 2021

Irish household deposits increased by €1.3 billion in December 2021; almost reversing the €1.4 billion decrease seen in November. Household deposits stood at over €136 billion at end-2021, increasing by almost €11.3 billion over the year. Over the year, repayments of consumer credit exceeded new drawdowns by €37 million; this compares to a €580 million net repayment in the same period of the previous year. This has resulted in the annual growth rates of consumer credit and household deposits stabilising from their recent trough and peak, respectively.

Annual Growth Rates of Household Deposits and Consumer Lending



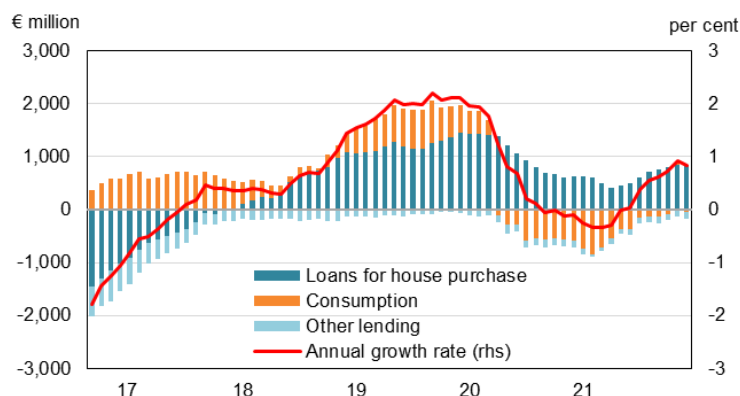
Source: Money and Banking [Table A.1](#)

¹ See notes on page 4.

Developments in Household credit and deposits

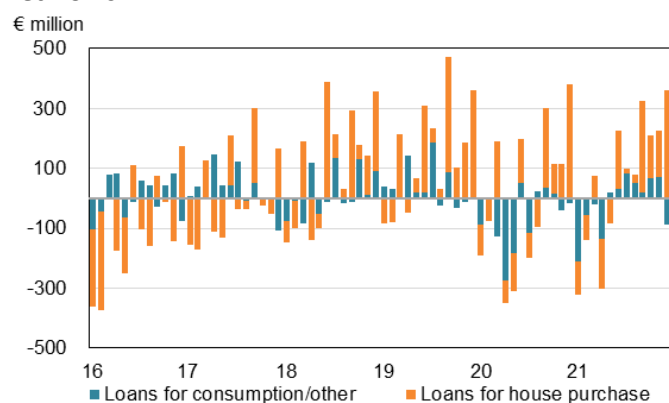
- Net lending to households** increased by €272 million in December 2021. In annual terms, net lending increased by €661 million, or 0.8 per cent, in the year to end-December 2021 (Chart 1), continuing the positive growth recorded in recent months. This contrasts with the 12 months to December 2020, where annual net lending fell by €81 million, or minus 0.1 per cent.
- Loans for house purchase** increased in net terms by €657 million in the final quarter of 2021. This compares to a net increase of €589 million in Q4 2020. The annual growth rate remained broadly stable over the final months of 2021, standing at 1.2 per cent in December 2021, up from 0.9 per cent a year earlier.
- Consumer Lending** recorded a net decrease for the first time in a number of months, with repayments exceeding new drawdowns by €74 million in December 2021 (Chart 2). Annual growth in consumer lending turned negative, decreasing by €37 million, or 0.3 per cent, in the year to end-December.
- Deposits from households** increased by €1.3 billion in December 2021, contrasting from the previous month's negative net flow of €1.4 billion (Chart 3). In annual terms, net household deposits increased by over €11 billion, or 9.1 per cent. Overnight deposits, which include current accounts, continue to be the driver of the annual increases in household deposits.

Chart 1: Loans to Households; developments in annual net flows, and annual rate of change



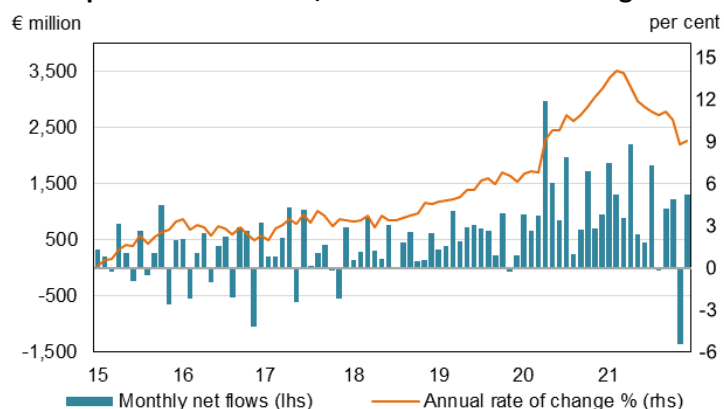
Source: Money and Banking [Table A.1](#)

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](#)

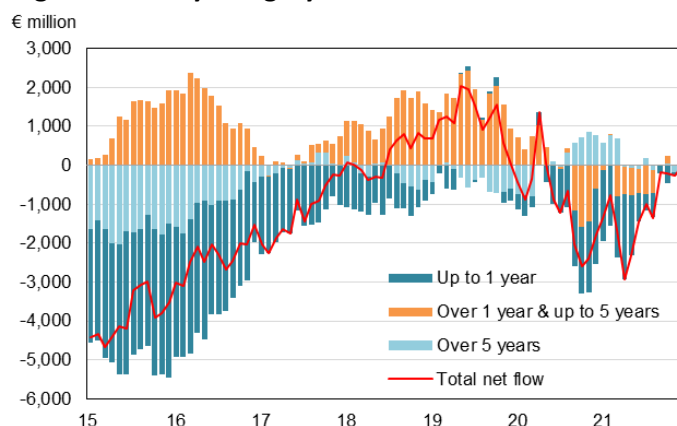
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** turned negative in December 2021, decreasing by €192 million over the month. On an annual basis, NFC loan repayments exceeded drawdowns by €36 million. The annual rate of change in total NFC lending was minus 0.1 per cent; this compares with a rate of minus 4.6 per cent recorded in 2020 (Chart 4).
- **Deposits from NFCs** remained positive in December 2021, increasing in net terms by over €3 billion. On an annual basis, NFC deposits increased by over €9.6 billion, representing an annual growth rate of 13.2 per cent. This compares with an annual growth rate of 18.5 per cent recorded in 2020 (Chart 5).

Developments in other counterparty sectors

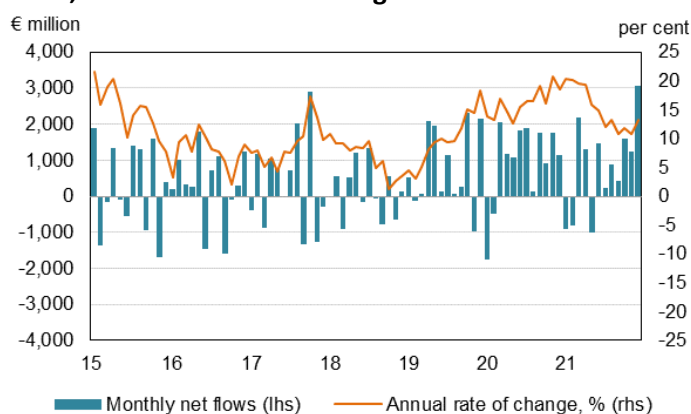
- **Total bank lending** to Irish resident sectors increased by 0.8 per cent in the year to end-December 2021 (Chart 6), driven by an increase in lending to the private sector and to MFIs, which contributed 0.13 per cent and 0.62 per cent of the increase, respectively.
- **Banks' holdings of deposits** from the Irish resident private sector continued to record strong inflows, with annual growth at 11.6 per cent as at end-December 2021. 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 slightly in December 2021, and now stands at just over €21.3 billion.

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



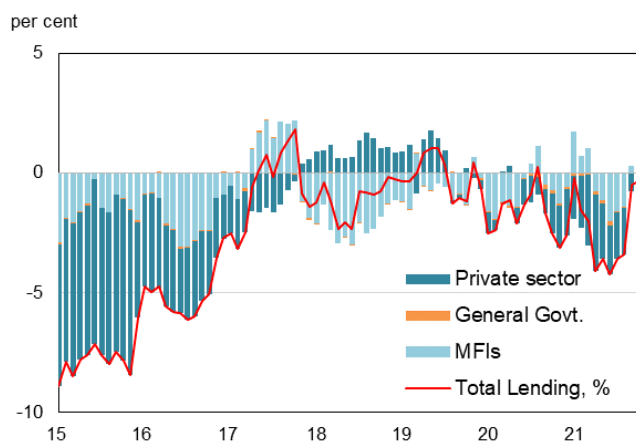
Source: Money and Banking [Table A.5](#)

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



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

Chart 6: Contributions of Irish resident counterparties 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.

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.