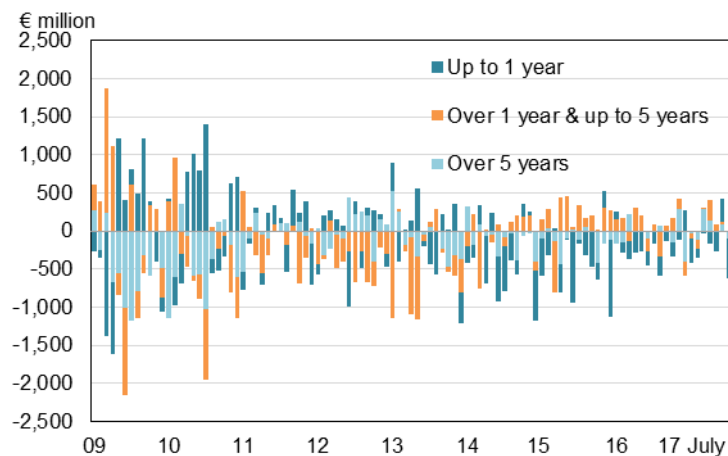


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NFC lending now stands at the lowest level since the series began. However, medium and long-term lending have both been positive on an annual basis for two consecutive months, which masks the substantial reduction of short-term lending.

Loans to NFCs; net flows (monthly) by original maturity category

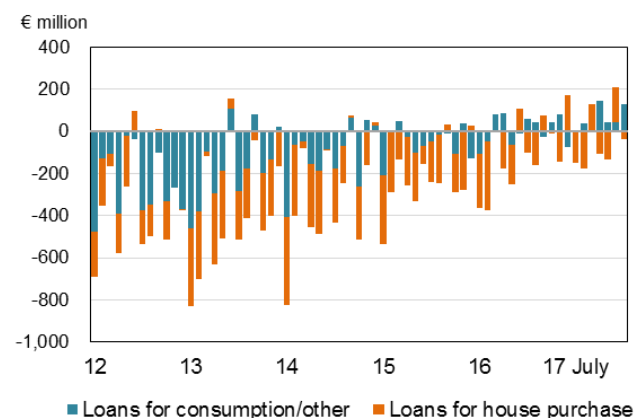


Source: Money and Banking [Table A.5](#)

Developments in Household credit and deposits

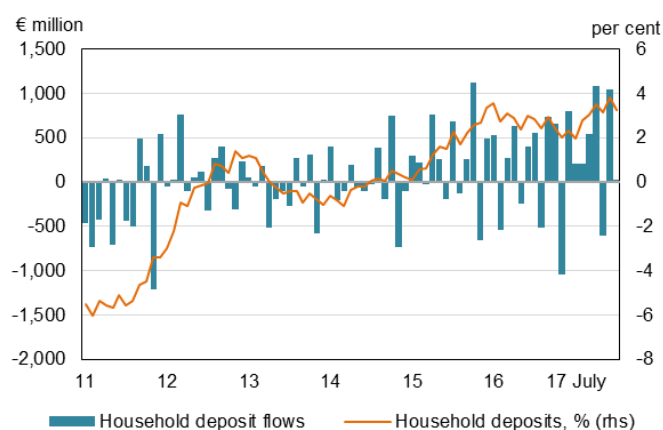
- **Loans to households, adjusted for loans sales and securitisations**, declined by 1.8 per cent in annual terms to end-July, the lowest rate of annual decline since December 2009.¹
- **Mortgage loans**, which account for 83 per cent of total on-balance sheet loans, decreased in net terms by €38 million in July (Chart 1). This follows a net increase of €166 million in June. In year-on-year terms, net mortgage lending declined by €377 million, or 0.5 per cent, the lowest rate of decline since August 2010.
- **Non-housing loans** increased by 3.2 per cent in annual terms to end-July, marking nine consecutive months of annual growth. Drawdowns on consumer loans exceeded repayments by €722 million in the year to end-July. The monthly net flow in July was €119 million, up from €48 million in June. Loans for other purposes continued to record negative net flows, with repayments over the 12 months to end-July exceeding drawdowns by €254 million.
- **Deposits from households** increased in net terms by €27 million in July following a rise of over €1 billion in June. In annual terms, household deposit lodgements were €3.1 billion higher than withdrawals, growing by 3.2 per cent over the year (Chart 2). Household deposits stood at €99.5 billion at the end of the month.
- **Developments in loans and deposits mean that Irish households continued to be net funders of the Irish banking system.** Banks held €8 billion more household deposits than loans at end-July (Chart 3). In contrast, household loans exceeded deposits by €72.6 billion in May 2008.

Chart 1: Loans to Households; developments in net flows



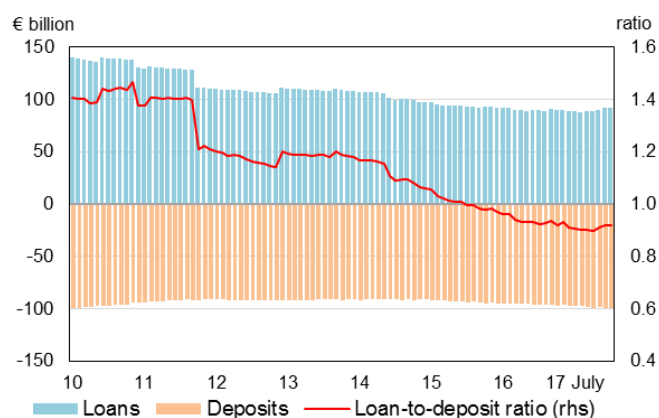
Source: Money and Banking [Table A.1](#)

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 LDR



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

¹ See Note 2 on page 4.

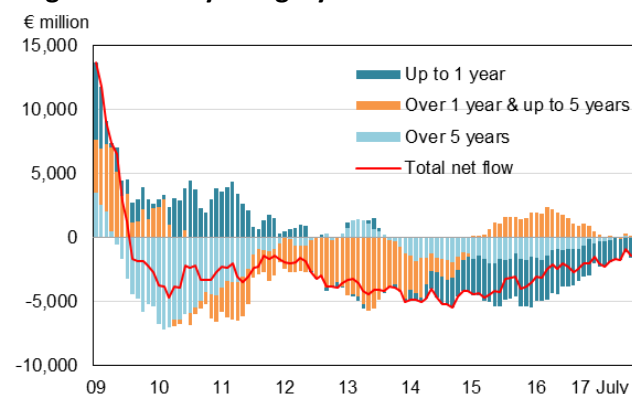
Developments in NFC credit and deposits

- **Net lending to NFCs** declined by €1.4 billion, or 3.3 per cent, in annual terms to end-July. There was a €624 million decrease in net NFC lending in July, following an increase of €423 million in June.
- Long-term lending grew on an annual basis for the second consecutive month, rising by 0.3 per cent in the year to end-July. Medium-term lending also increased on an annual basis for the second consecutive month, growing by 0.4 per cent. In contrast, short-term lending decreased by 13.3 per cent annually (Chart 4).
- **NFC deposits** increased by €732 million in net terms in July, following a decrease of €87 million in June (Chart 5). The increase was predominantly driven by a rise of €644 million in overnight deposits.
- Total NFC deposits grew by 7.6 per cent annually to end-July, continuing the trend in corporate deposits observed since 2012.

Developments in other counterparty sectors

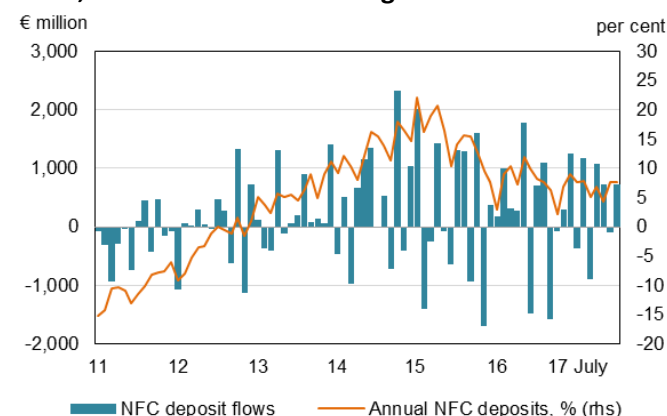
- **Lending to the private sector** has been the main driver of net lending to Irish residents since early 2014, accounting for 74 per cent of banks' loan books in July (Chart 6). However, total lending decreased in July for the first time since February, falling by €2.5 billion.
- Credit institutions' holdings of Irish-issued **debt and equity securities** increased by €1.1 billion in July.
- **Irish banks' borrowings from the Central Bank as part of Eurosystem monetary policy operations** were unchanged in July. The outstanding stock of Central Bank borrowings was €7.8 billion, with the domestic market banks accounting for 95 per cent of this.

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



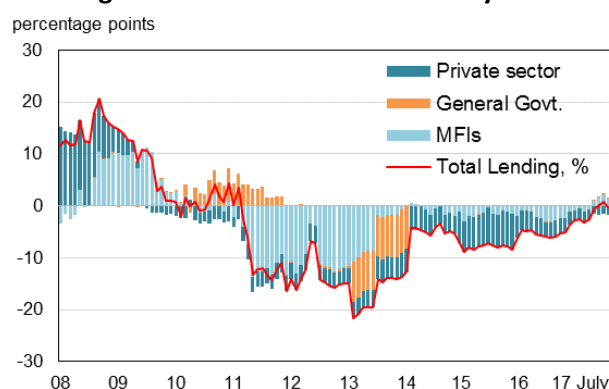
Source: Money and Banking [Table A.5](#)

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](#).

Note 2:

This measure of lending includes repayments on serviced loans which no longer appear on the balance sheet due to derecognition and transfer. See [Table A.6](#).

Keywords:

Money and Banking Statistics, Irish Financial Statistics, Loans, Deposits, Household Debt, Mortgage, Consumer, Repayments, Securitisations.