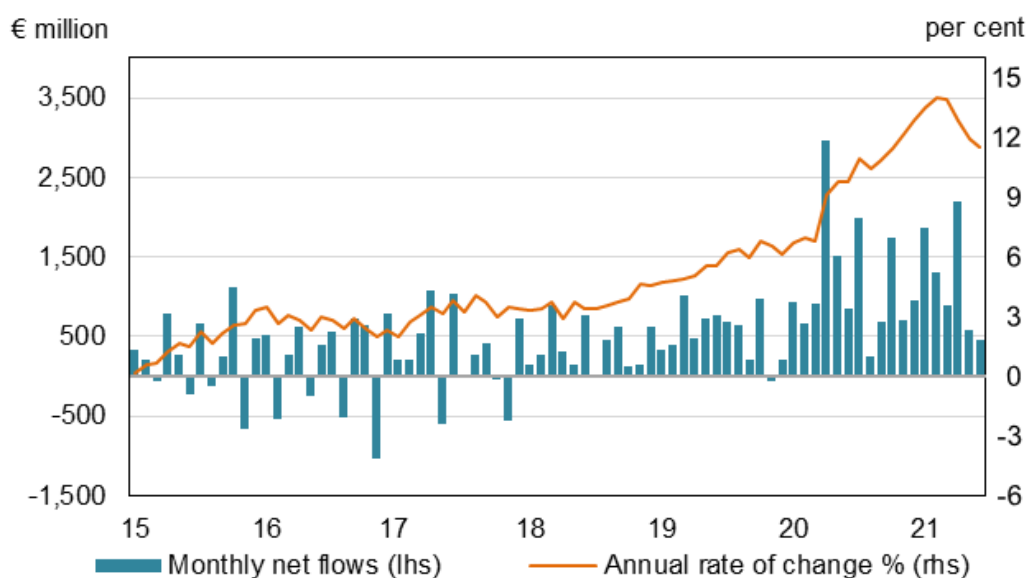




## Money and Banking Statistics<sup>1</sup> – June 2021

Irish Household deposits increased by €453 million to €132 billion in June 2021. This compares with an €845 million increase in the same month in 2020, when COVID-19 health restrictions heavily constrained household activity. The annual rate of growth in household deposits remains at an elevated level relative to its pre-Covid average but this has slowed in recent months from its 14 per cent in February peak to stand at 11.5 per cent in June.

### Deposits from Irish resident households; developments in net flows, and annual rate of change



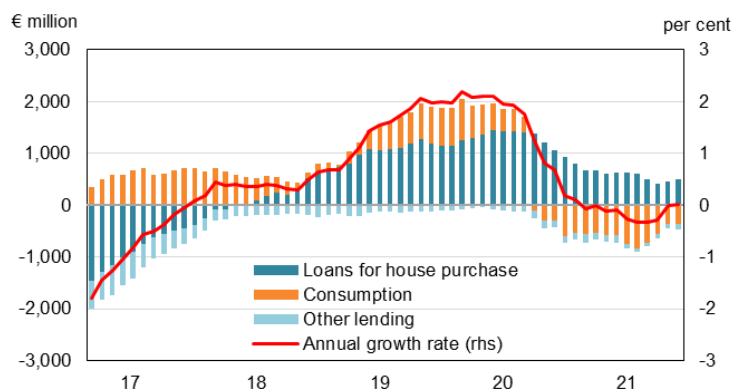
Source: Money and Banking [Table A.1](#)

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

### Developments in Household credit and deposits

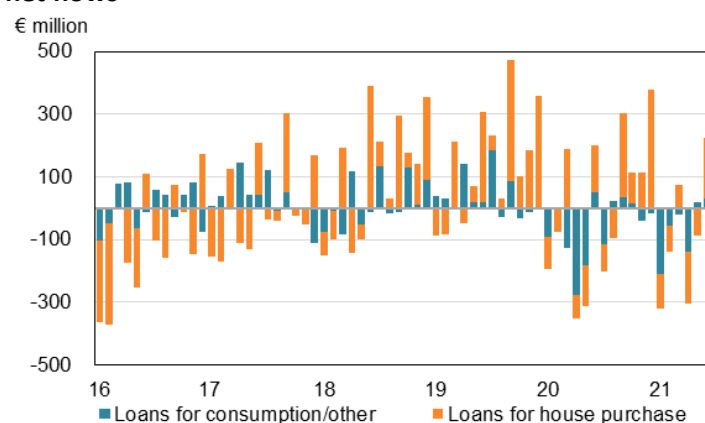
- **Net lending to households** increased by €226 million in June 2021. In annual terms, net lending amounted to only €28 million. (Chart 1). This contrasts with June 2020, when €647 million of net annual lending was recorded.
- **Loans for house purchase** increased by €195 million in net terms over the month (Chart 2), though seasonal effects influence the quarter-end figures. In annual terms, the growth rate remained positive, at 0.7 per cent, but down from 1.4 per cent a year earlier.
- **Consumer Lending** saw a net increase of €42 million in June 2021, a further increase from the month of May. Despite this, the annual growth rate in the year to end-May remained negative, with consumer lending decreasing by €370 million or 3.1 per cent.
- **Deposits from households** continued to grow, and stood at €132 billion at end-June 2021. Over the month, household deposits recorded a net inflow of €453 million (Chart 3). In annual terms, lodgements exceeded withdrawals by €13.6 billion, or 11.5 per cent. Overnight deposits, which include current accounts, were the driver of the monthly and annual increases in household deposits.

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



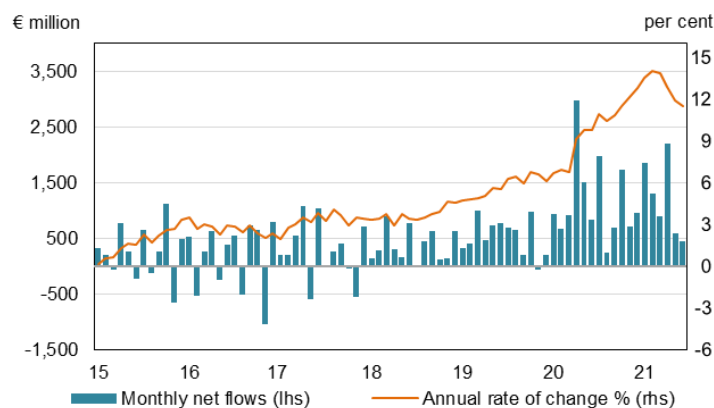
Source: Money and Banking [Table A.1](#)

**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](#)

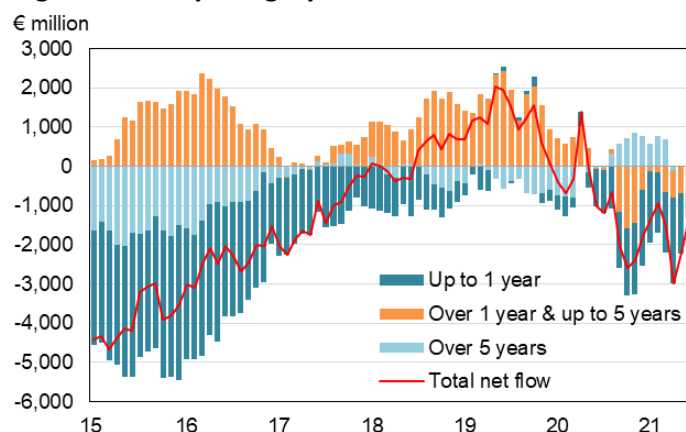
### Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** was positive in June, rising to €278 million during the month, however, on an annual basis, loan repayments exceeded drawdowns by €1.3 billion. The annual rate of change in total NFC lending was minus 3.4 per cent; this compares with a growth rate of minus 2.5 per cent in June 2020 (Chart 4).
- There was a positive net flow in **deposits from NFCs**, increasing by €1.5 billion in June. On an annual basis, the growth rate of 14.9 per cent in June was less than May's at 15.8 per cent (Chart 5).

### Developments in other counterparty sectors

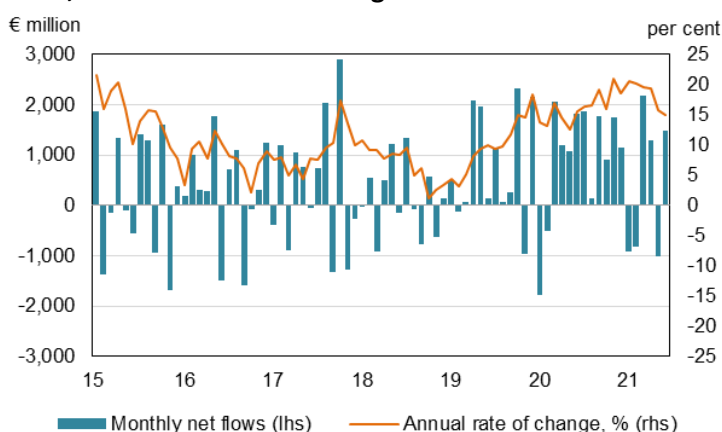
- **Total bank lending** to Irish resident sectors declined by 4.2 per cent in the year (Chart 6), partly driven by a decline in lending to the private sector, which experienced a fall of 2 per cent.
- **Banks' holdings of deposits** from the Irish resident private sector continued to record strong inflows, with annual growth at 13.6 per cent as at end-June 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** rose in June, and now stands at €24 billion.

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



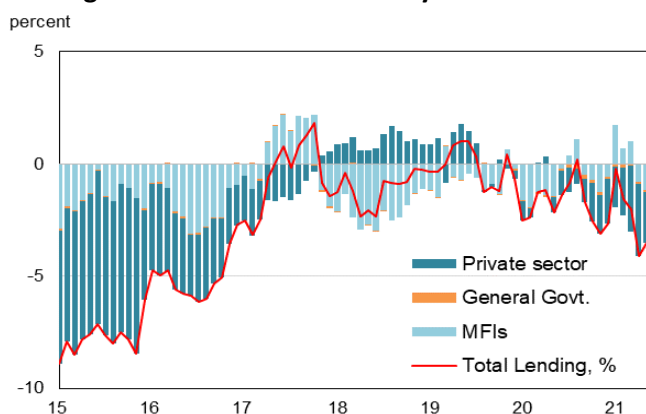
Source: Money and Banking [Table A.5](#)

**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 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.

**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, June 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.