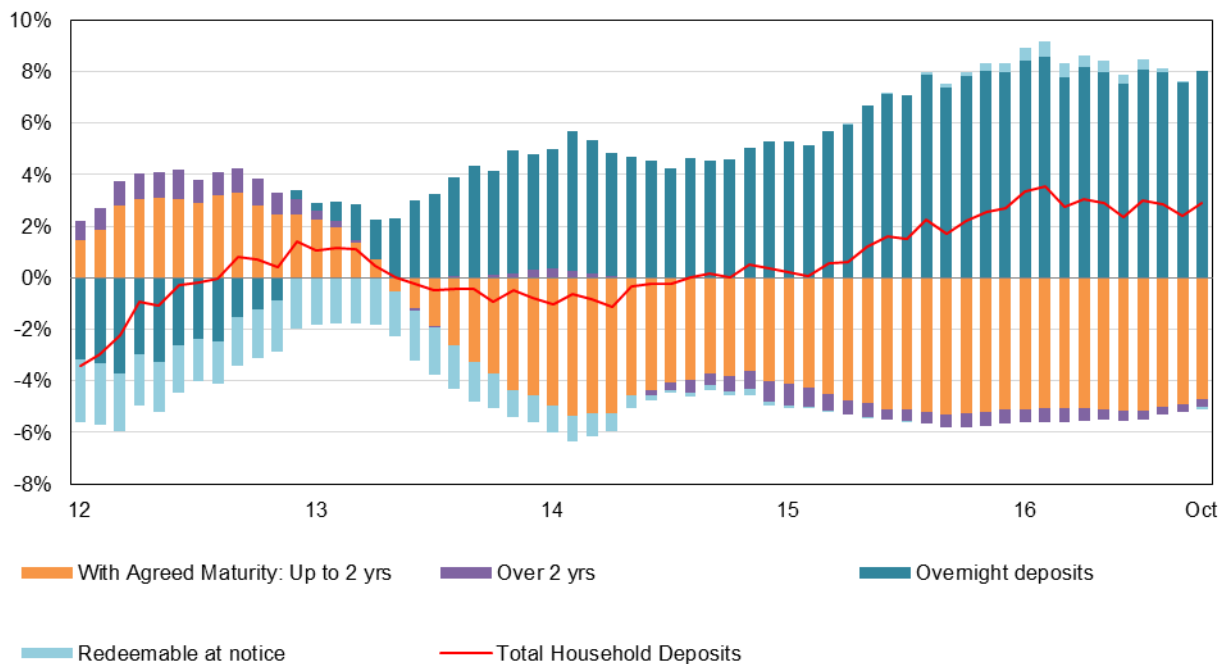


### Money and Banking Statistics – October 2016

*Irish household deposits in October continued the strong growth seen in September, with an increase during the month of €650 million. On an annual basis this category has also increased significantly with a €2.3 billion positive flow recorded.*

*Deposits with agreed maturity continued to decline; this follows a trend seen since early-2013, reflecting the current low interest rates available for deposits within this category.*

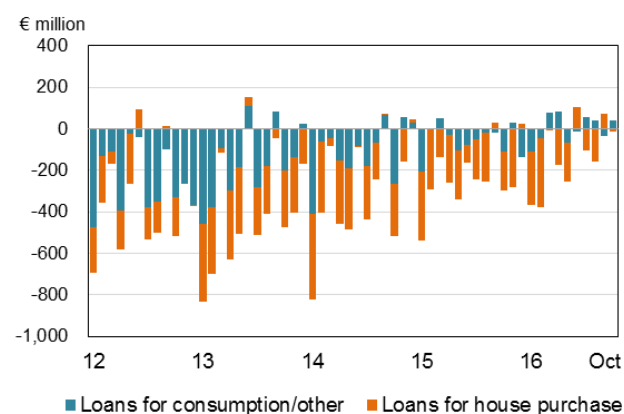
**Contributions of maturity categories to household deposit growth**



### Developments in Household credit and deposits

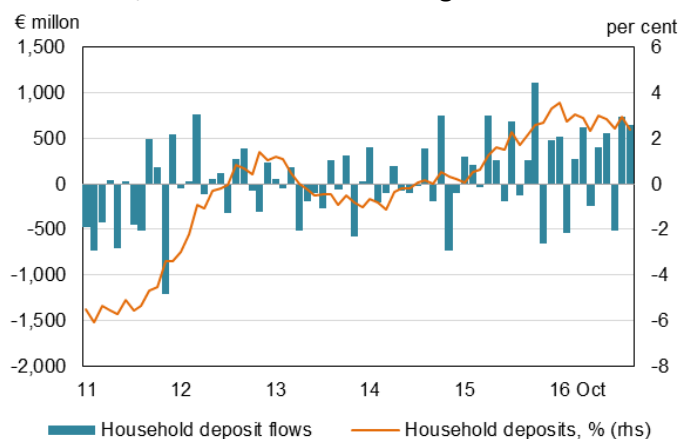
- **Loans to households adjusted for loans sales and securitisations** declined by 2.8 per cent in October compared with the same period in 2016.<sup>1</sup>
- **Mortgage loans**, which account for 83 per cent of on-balance sheet household loans, decreased by €13 million in October 2016 (Chart 1). In year-on-year terms, mortgage loans declined by 1.7 per cent, with households repaying €1.3 billion more than was advanced in new loans during the year.
- **Non-housing loans** grew by €43 million in October, and declined by 0.4 per cent in year-on-year terms. Within the Non-housing loan category, however, consumer credit grew by 4.1 per cent in annual terms in October.
- The decline of €69 million in personal **credit card spending** during the month was predominantly driven by Education expenditure, which decreased by €34 million in October. There was also a significant decrease in the Transport category during this period. In October personal E-Commerce expenditure amounted to €262 million; this was a decline from €306 million recorded in September, which was the highest figure recorded in this category since this series began (in January 2015). E-Commerce expenditure accounted for 41 per cent of gross new spending on personal credit cards in October.
- **Deposits from households** increased by €650 million in October, following an increase of €731 million the previous month. In annual terms, household deposits increased by €2.3 billion or 2.4 per cent in October (Chart 2).
- **Developments in loans and deposits mean that Irish households continued to be net funders of the Irish**

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



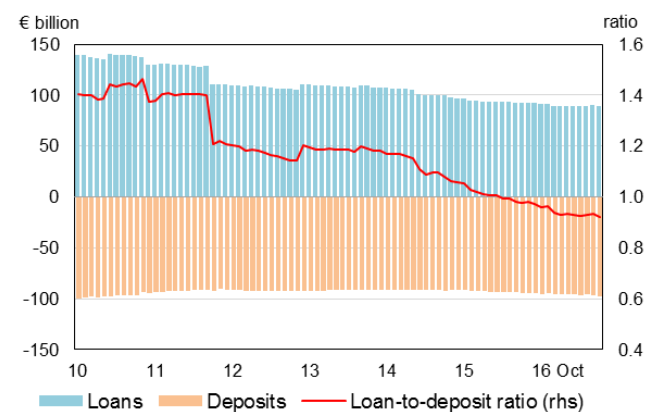
Source: Money and Banking [Table A.1](#)

**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](#)

<sup>1</sup> See Note 2 on page 4.

**banking system** for the sixteenth consecutive month. Banks held €7.8 billion more household deposits than loans at end-October. By contrast, in early-2009 household loans exceeded deposits by €53.5 billion.

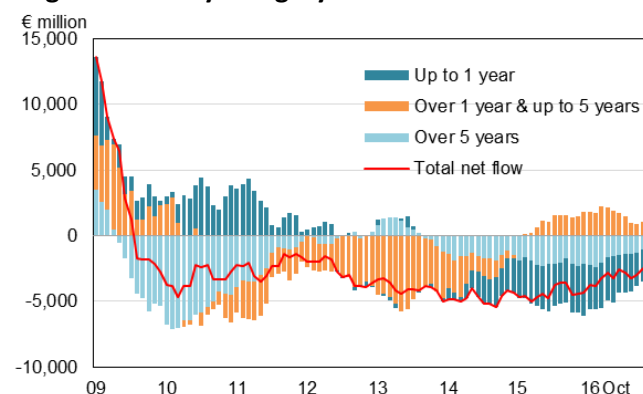
### Developments in NFC credit and deposits

- **Lending to NFCs** declined by €2.5 billion or 5.3 per cent in annual terms in October. This decline, however, masks divergent trends between short and medium-term maturities.
- Medium-term net lending to NFCs grew by 8.1 per cent year-on-year in October, with drawdowns exceeding repayments by slightly over €1 billion. In contrast short-term net lending declined by €2.5 billion over the past 12 months.
- **NFC deposits** declined by €85 million in October (Chart 5). Deposits with agreed maturity of up to two years declined by €193 million in the month. All other deposit categories showed decreases during the month, with the exception of overnight deposits and repurchase agreements which increased by €115 million.
- In year-on-year terms, NFC deposit flows grew by 2.1 per cent in October, reflecting strong corporate inflows into the Irish banking system.

### Developments in other counterparty sectors

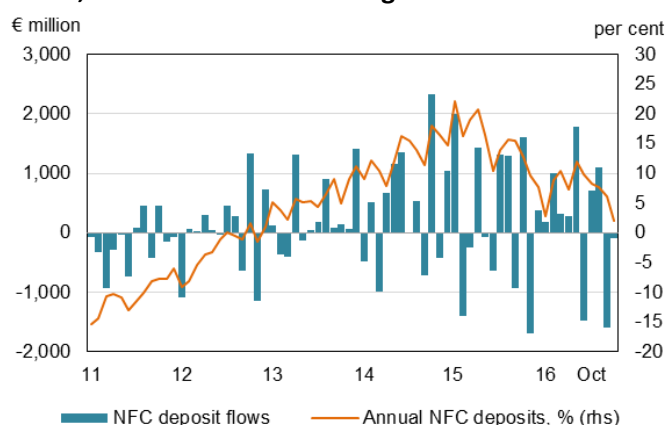
- **Lending to the Irish private sector** has been the main driver of net lending to Irish residents since early 2014 and accounted for 76 per cent of banks' loan books in October (Chart 6). In annual terms, outstanding loans to the Irish private sector declined by 3.9 per cent.
- Credit institutions' holdings of Irish issued **debt and equity securities** increased by €158 million in October. This contrasts sharply to a decrease of over €1 billion in

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



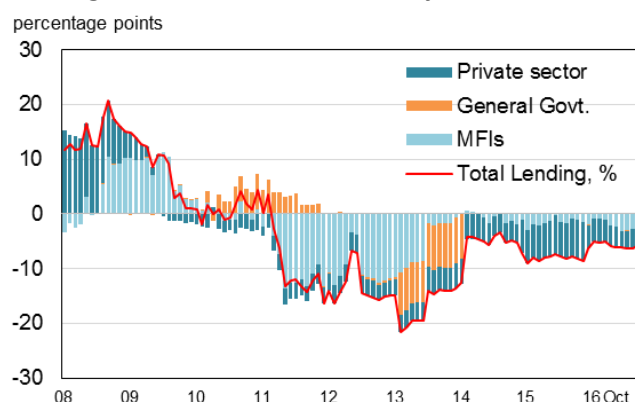
Source: Money and Banking [Table A.5](#)

**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](#)

September.

- **Irish banks' borrowings from the Central Bank** as part of Eurosystem monetary policy operations decreased by €150 million in October. The outstanding stock of Central Bank borrowings was €8 billion, with the domestic market banks accounting for 95 per cent of this.

**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, Repayments, Securitisations, PDH.