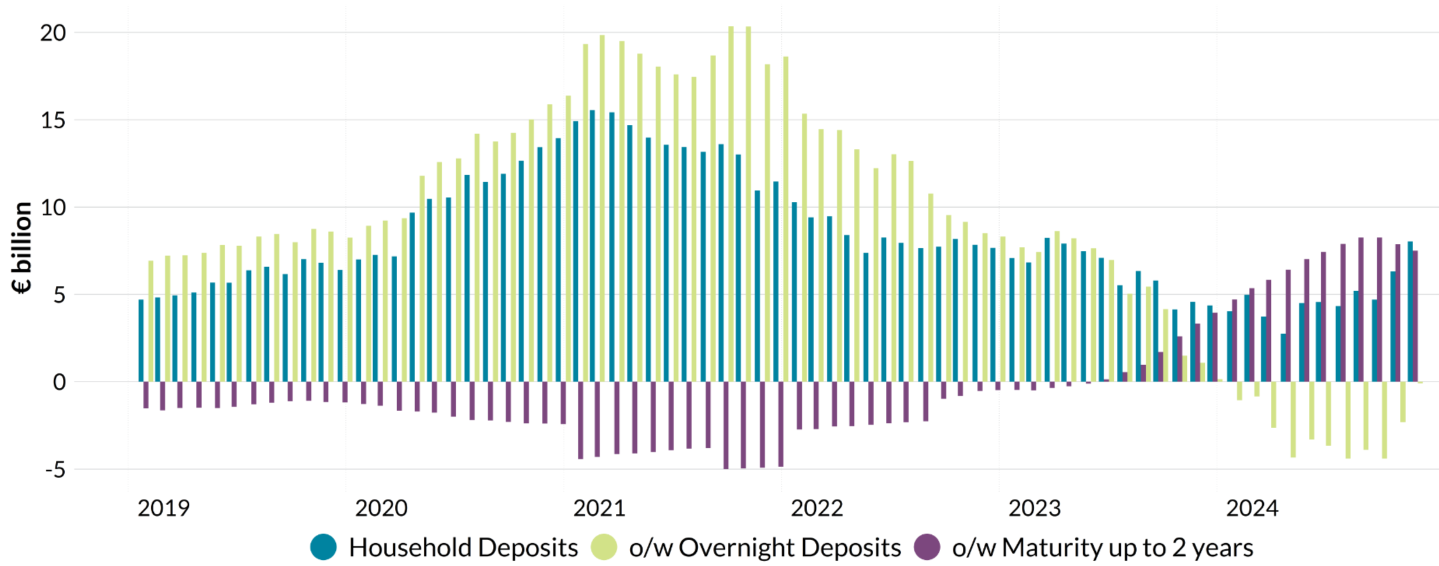
08 January 2025

Money and Banking Statistics[1] – November 2024

Household deposits increased by €8 billion, or 5.3 per cent, in the year to end-November 2024. As observed in past months, this movement was driven by **deposits with an agreed maturity of up to 2 years**, which recorded positive annual growth in the year to end-November, but at a slower pace than in previous months. Annual **overnight deposits**, on the other hand, remained muted, recording an annual drop under 1 per cent, its smallest decline since it went into negative territory in 2024.

Annual household deposit flows remained positive in November. Overnight deposits remained negative while term deposits' annual growth stayed positive.



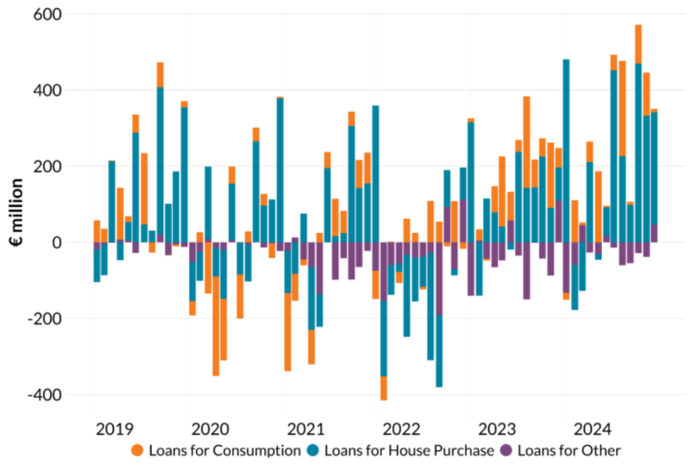
Source: Money and Banking Table A.11.1

[1] See notes on page 4.

Developments in Household credit and deposits

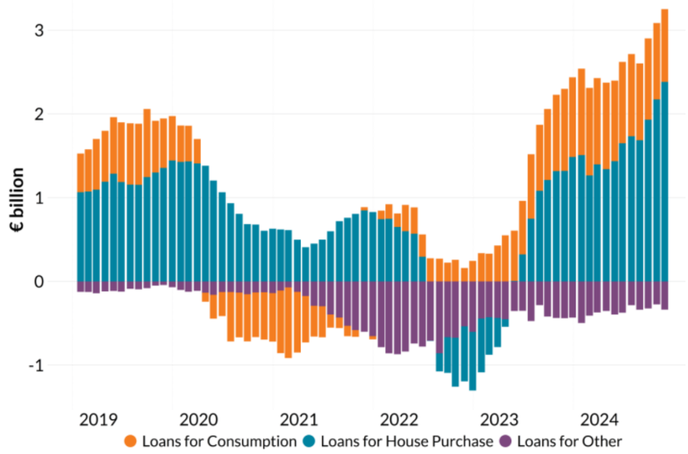
- **Net lending to households** was €351 million in November 2024 (Chart 1). Even though all categories recorded net increases, this movement was mostly driven by **loans for house purchase**, with a positive contribution of €295 million in the month. After five consecutive monthly declines, **loans for other purposes** increased by €47 million in November 2024.
- In annual terms, **net lending to households** increased by €2.9 billion, or 2.9 per cent, in the year to end-November 2024 (Chart 2). This falls to 2.8 per cent after accounting for the impact of repayments on securitised loans. This movement was almost entirely driven by **loans for house purchase**, which recorded an annual flow worth €2.4 billion in the period.
- **The annual change in loans for house purchase**[2]**,** including on-balance sheet and securitised loans, was 2.7 per cent in the year to end-November 2024 (see Table A.6).
- **Household deposits** increased by €471 million in November 2024 (Chart 3) and stood at €159.6 billion at the end of the month. This was entirely driven by an equivalent movement of **term deposits**, while **overnight deposits** remained muted and only slightly decreased in the month.
- On an annual basis, **household deposits** increased by €8 billion, or 5.3 per cent, driven by a €7.5 billion increase of **deposits with an agreed maturity up to 2 years**. Annual **overnight deposit** flows declined by €100 million in the year to end-November, which represents the smallest 12 month drop since annual overnight deposits turned negative in 2024.

Chart 1: Loans to Households (excluding securitised loans); monthly net flows by lending purpose



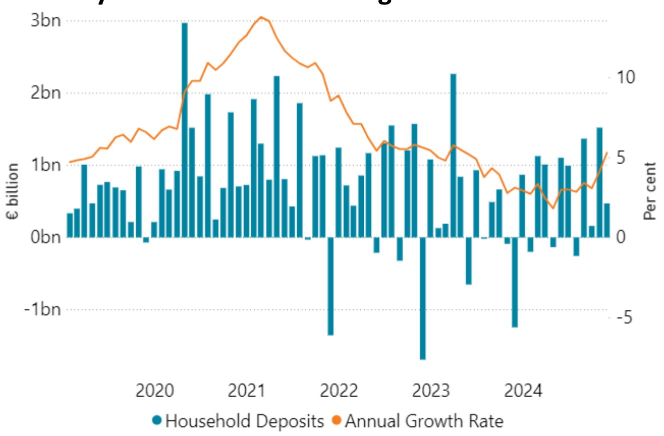
Source: Money and Banking Table A.1

Chart 2: Loans to Households (excluding securitised loans); annual net flows by lending purpose



Source: Money and Banking Table A.1

Chart 3: Deposits from Irish resident households; monthly net flows and annual growth rate



Source: Money and Banking Table A.11.1

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[2] See Note 4

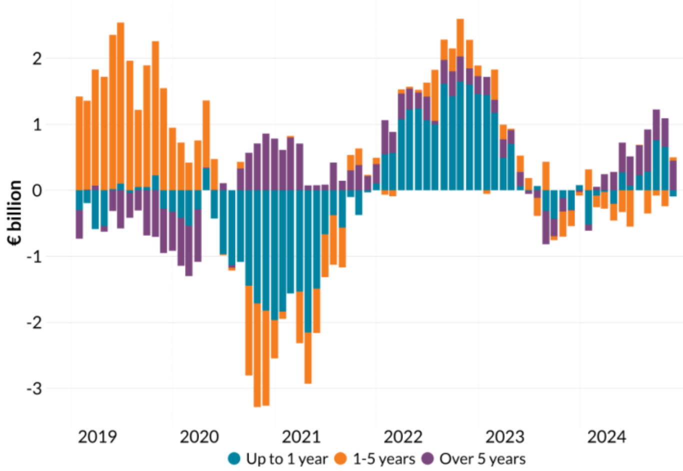
Developments in NFC credit and deposits

- **Net lending to non-financial corporations (NFCs)** remained negative in November 2024, recording a decline of €481 million in the month. This was mostly driven by negative flows of **short-term loans** worth €698 million, only partially offset by a €198 million increase in **medium-term lending** in the month. On an annual basis, **NFC lending** increased by €406 million, or 1.4 per cent, in the year to end-November. Despite a negative annual flow of **short-term loans** worth €96 million, this was offset by **medium and long-term loans**, with a combined positive flow of €500 million in the year to end-November (Chart 4).
- **NFC deposits** dropped by €3.8 billion in November 2024 (Chart 5). In annual terms, NFC deposit flows remained positive at €1.6 billion in the year to end-November, equivalent to 2 per cent annual growth. This was driven by annual increases across all categories except for **overnight deposits**, which dropped by almost €1 billion in the year to end-November 2024.

Other developments in the period

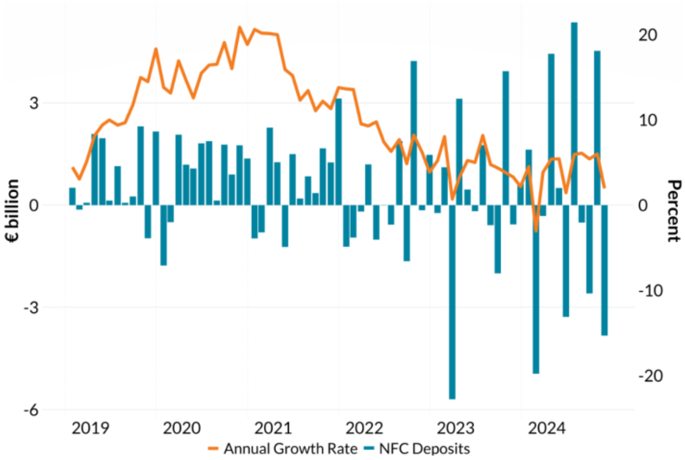
- **Total bank lending** to the Irish private sector increased by €5.1 billion, or 3.5 per cent, in the year to end-November 2024 (Chart 6), and the stock stood at €150.3 billion at the end of the month.
- **Total annual flows** were mostly driven by loans to **households**, with a contribution of €2.9 billion in the year to end-November.
- Annual flows of loans to **non-financial corporations (NFC)** and to **other financial institutions (OFI)** remained positive, at €406 million and €1.9 billion, respectively, while lending to **insurance companies and pension funds (IC/PF)** dropped by €44 million.

Chart 4: Loans to NFCs; annual net flows by original maturity category



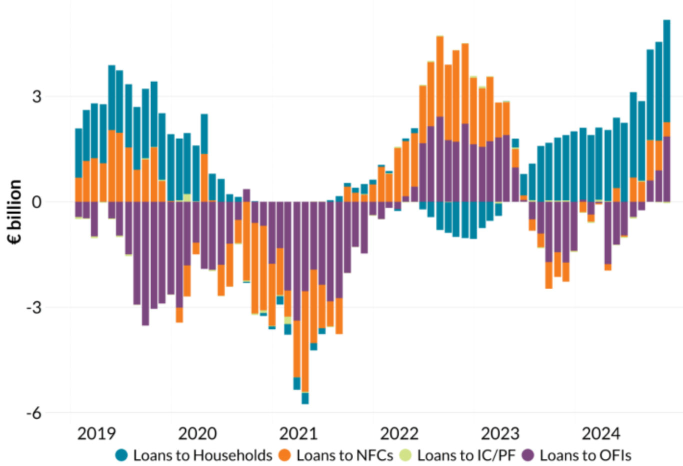
Source: Money and Banking Table A.5

Chart 5: Deposits from NFCs; monthly net flows and annual growth rate



Source: Money and Banking Table A.1

Chart 6: Bank lending to the Irish Private Sector; annual net flows by counterparty sector



Source: Money and Banking Table A.5

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, end-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.

Note 4:

Treatment of securitised loans

As a result of an update to the ECB Regulation '*on the statistical reporting of balance sheet items of credit institutions and of the monetary financial institutions sector (recast) (ECB/2021/2)*', there have been changes to how certain securitised loans are required to be classified for the purposes of statistical reporting. The below treatment, allowed under the previous Regulation, is no longer permitted under the updated Regulation:

'MFIs (….) may be allowed by their NCB to exclude from the stocks (…) any loans disposed of by means of a securitisation in accordance with national practice (…)'

The removal of this clause means that banks are now required to report all previously excluded securitised balances within their on-balance sheet stocks of outstanding loans.

This has resulted in an increase in the on-balance sheet stock of house purchase loans in tables such as Table A.1 and Table A.4. These securitised loans were already captured in Table A.6, which combined on-balance sheet and securitised loans since the series began in January 2003. This change does not impact on published transactions and growth rates for January 2022. As a result of this change, we will be discontinuing publication of confidential series within table A.6 in the future.

Note 5:

In March 2023 the outstanding amounts and transactions of domestic household deposits increased following the entry of a credit institution into the Irish market. Without this addition the household deposit growth in the year would have been lower still.

Statistical classification of sole proprietors

In line with their treatment in ESA 2010, the Central Bank is harmonising the treatment of sole proprietors by reporting agents across various datasets. This has resulted in a reclassification of loans and deposits from the NFC to the Household sector. These amendments have been made with respect to January 2022 reference data, with revisions to historical data to follow. Specifically, these changes mean an increase in loan and deposit balances reported against the household sector, and a decline in balances reported against the NFC sector. This change does not impact on published transactions and growth rates for January 2022.