



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem

# Quarterly Financial Accounts for Ireland

Q3 – 2024

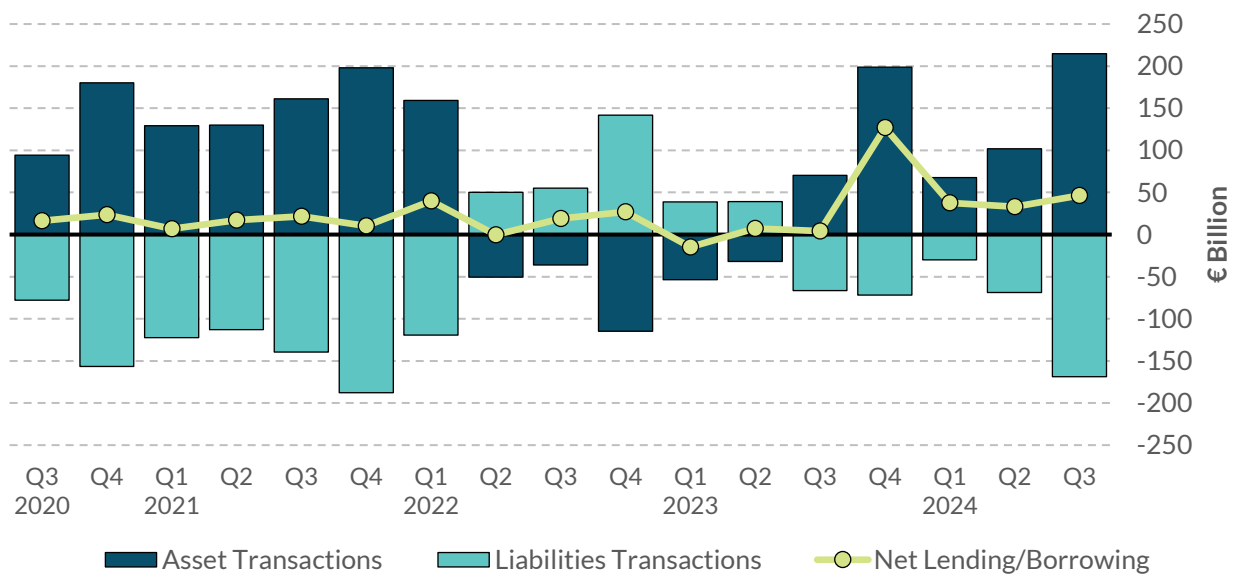
January 2025

# Quarterly Financial Accounts

## Key Points – Q3 2024

- The overall Irish economy had a net lending position of €46.3bn in Q3 2024, the sixth quarter in a row where the domestic economy has been a net lender.
- Irish financial corporations were net lenders, with the other financial institutions sub-sector the largest contributor. The investment funds sub-sector was also a net lender in the quarter but revaluations and other changes on the existing balance sheet meant that the net wealth of investment funds declined relative to the previous quarter.
- Total liabilities of non-financial corporations fell by €113.5bn and stood at €2,968bn. NFC debt levels contributed €9.6bn to this reduction and stood at 129 per cent of GDP.
- Household financial net wealth increased by €23.4bn and stood at €393.1bn. This improvement was due to revaluations and other changes on existing assets of households as well as new investments.
- Government debt rose to €224.4bn in Q3 2024. Long-term loans were the main contributor to the increase. The net financial position of the government was -€109.5bn, a 7.7 per cent reduction compared to Q2 2024.

**Chart 1: Net Financial Transactions of the Overall Irish Economy**



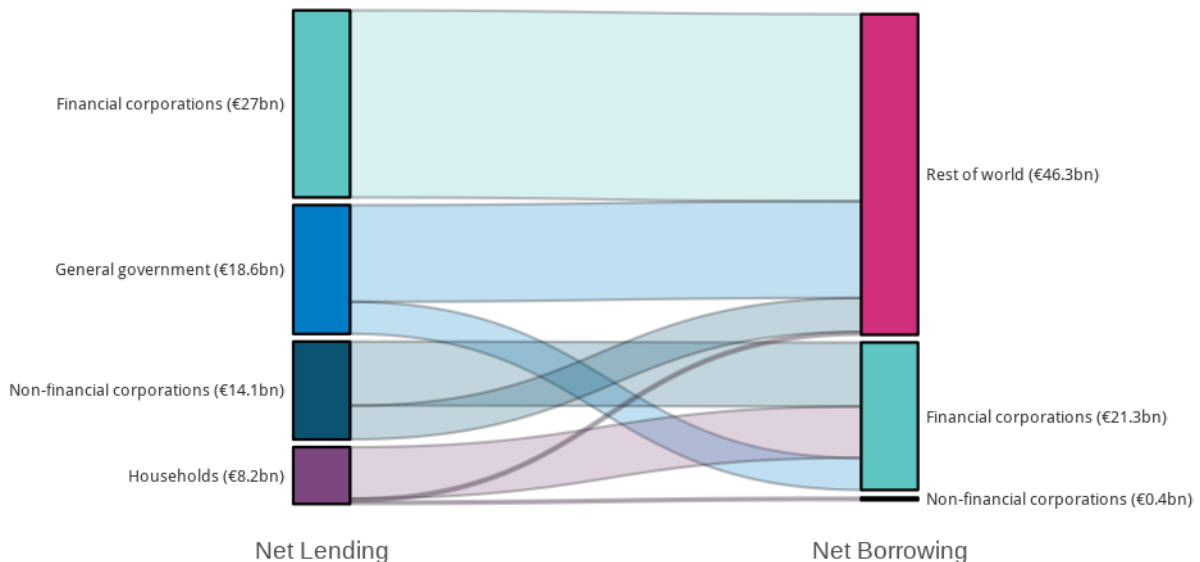
Overall, the Irish economy remained a net lender, as net investment in financial assets

surpassed the net incurrence of financial liabilities by €46.3bn. This is the sixth quarter in a row where the Irish economy has been a net lender.

Transactions in debt securities and equity assets were the main contributors to new investment in financial assets in the period. Transactions in liabilities were largely related to investment fund shares and units (€140.6bn). Loan liabilities, derivatives and monetary gold had negative transactions in Q3 2024. All other instruments increased but movements were small relative to investment fund shares/units in particular.

The overall stock of assets in the total economy rose to €11,819bn, while liabilities reached €12,177bn, meaning the net financial wealth of the overall economy was -€357.3bn. Financial corporations were the largest contributor to the total balance sheet, accounting for around 75 per cent of total assets, with over 35 per cent from investment funds alone. The non-financial corporations (NFC) sector was the second largest component (18 per cent), with the rest accounted for by the government and household sectors. The overall stock of liabilities vis-à-vis the rest of the world was €9,178bn in Q3 2024, while total financial assets held with foreign entities was €8,821bn.

## Chart 2: Borrowing and Lending across Sectors of the Irish Economy



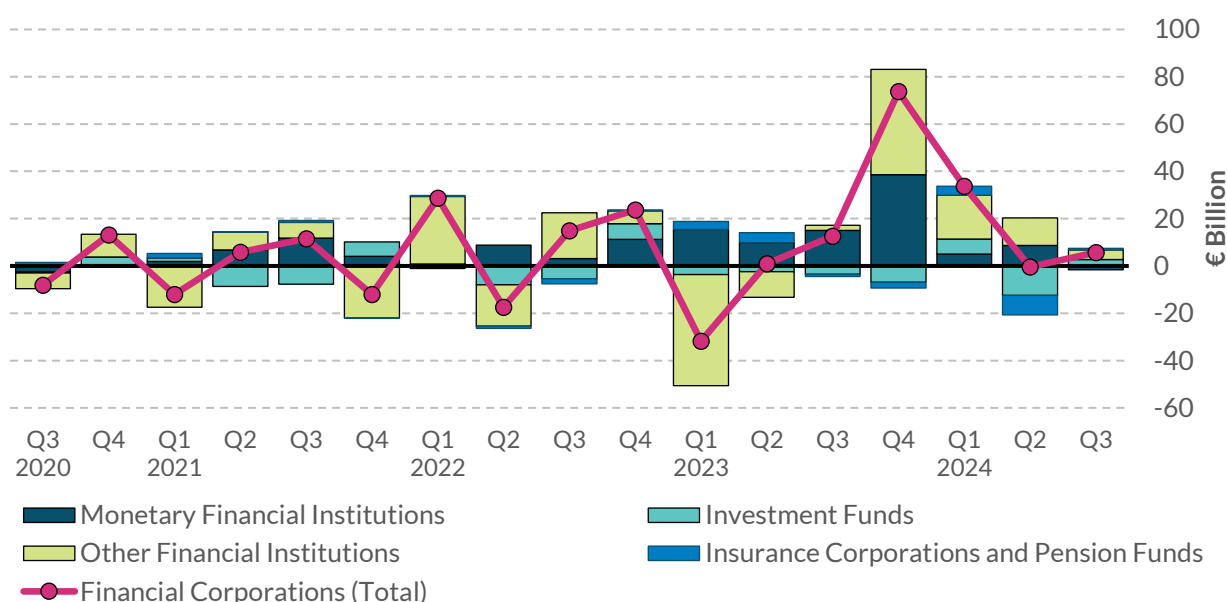
Financial corporations reported the largest positive net financial transactions of each of the four main sectors in Q3 2024. The sector had a net lending position of €5.7bn, comprising of €27bn to the rest of world and a net borrowing position from all other domestic sectors (€21.3bn). This contributed to an outstanding asset stock of €8,974bn and liabilities of

€8,803bn at the end of Q3 2024, of which around 80 per cent was linked to foreign counterparts.

The NFC sector was the largest net lender, at €13.8bn. NFC’s were net lenders to financial corporations (€9.2bn) and the rest of world (€4.9bn), but net borrowers from Irish households (€0.4bn) and balanced with the government sector.

For the second quarter in a row, both government and households were net lenders, at €18.6bn and €8.2bn respectively in Q3 2024.

### Chart 3: Net Transactions of Irish Financial Corporations



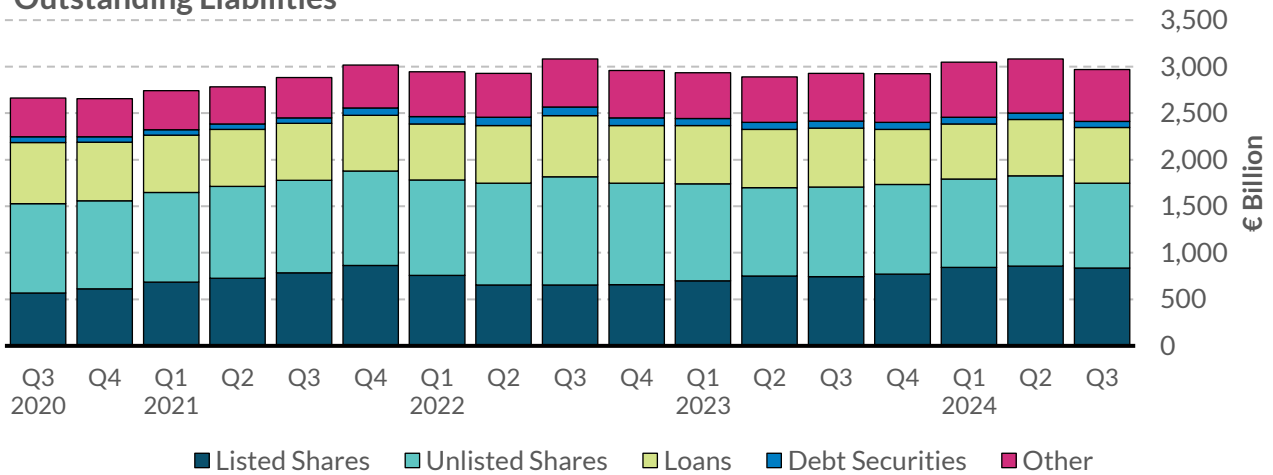
The investment funds sub-sector, which accounted for around 50 per cent of total financial corporation assets and liabilities, had a net lending position of €2.7bn. This net position is a result of large asset transactions (€104.0bn), particularly debt securities and equity assets, offset by large liabilities transactions (€101.3bn), which relate to investment fund shares and units. The net wealth of investment funds declined relative to the previous quarter, reflecting revaluations and other changes, which more than offset the positive transactions in the latest quarter.

The other financial institutions (OFI) sub-sector was the largest net lender in the period, at €4.1bn. This was driven by loans, where assets exceeded liabilities transactions by €13.2bn and new acquisitions of investment fund shares/units (+€4.5bn). However, this was partially offset by new incurrence of debt securities liabilities of €15.4bn, well above the acquisition of new debt securities assets of €3.3bn.

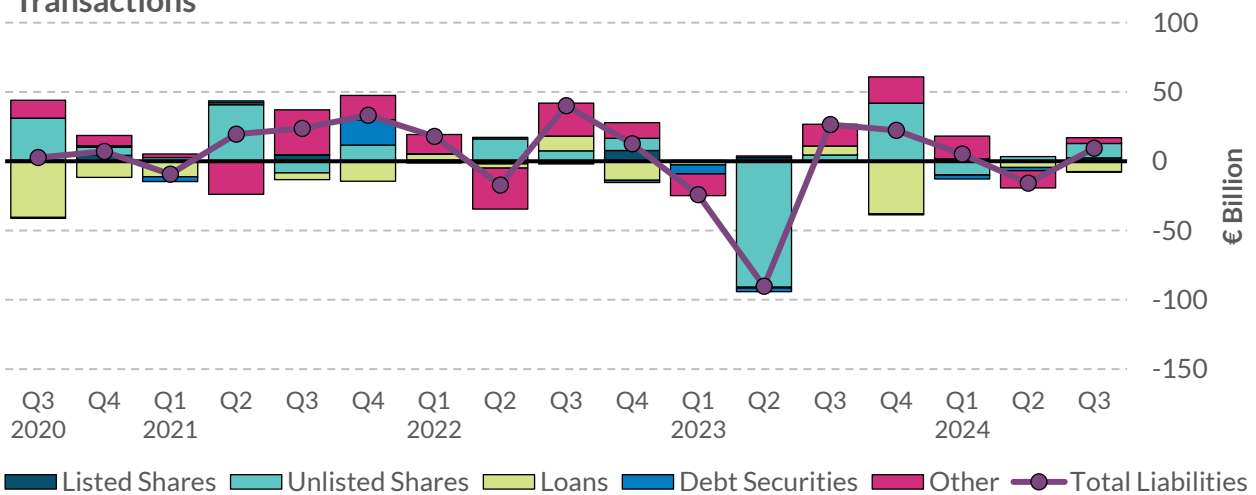
Monetary financial institutions (MFI) were the only financial sub-sector to have a net borrowing position in the quarter, equal to €1.7bn. This is the first quarter that MFIs have been net borrowers since Q3 2020.

### Chart 4: Funding of Irish NFCs and their Liabilities Transactions

Outstanding Liabilities



Transactions

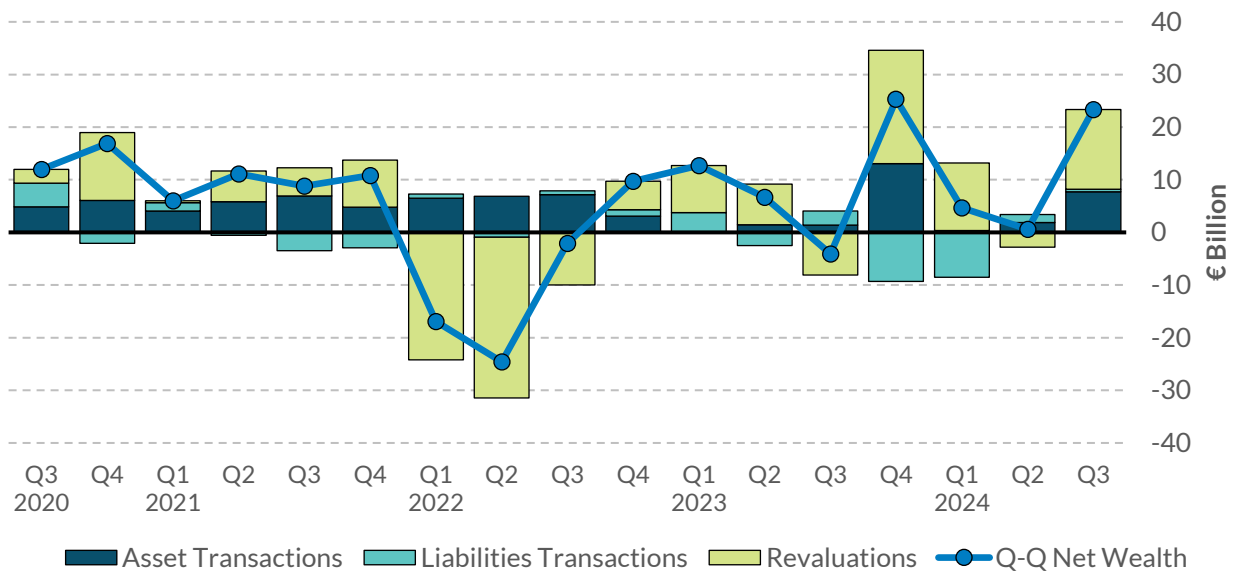


Total liabilities of the Irish NFC sector fell by €113.5bn to stand at €2,968bn. This decrease was the result of revaluations and other changes in the quarter, while the net incurrence of new NFC liabilities was positive at €9.4bn. New equity issuance of €12.8bn was the main contributor to the movement, with transactions in loan liabilities of -€7.5bn partially offsetting this. Transactions in other instruments were of a smaller magnitude.

Equity remains the largest liability of NFCs at €1,748bn, or 59 per cent of total liabilities, while NFC debt (loans and debt securities liabilities) was €664.4bn in Q3 2024. This is a €9.6bn

reduction in NFC debt relative to the previous quarter and is equivalent to 129 per cent of GDP.

**Chart 5: Changes in Households’ Financial Net Wealth**

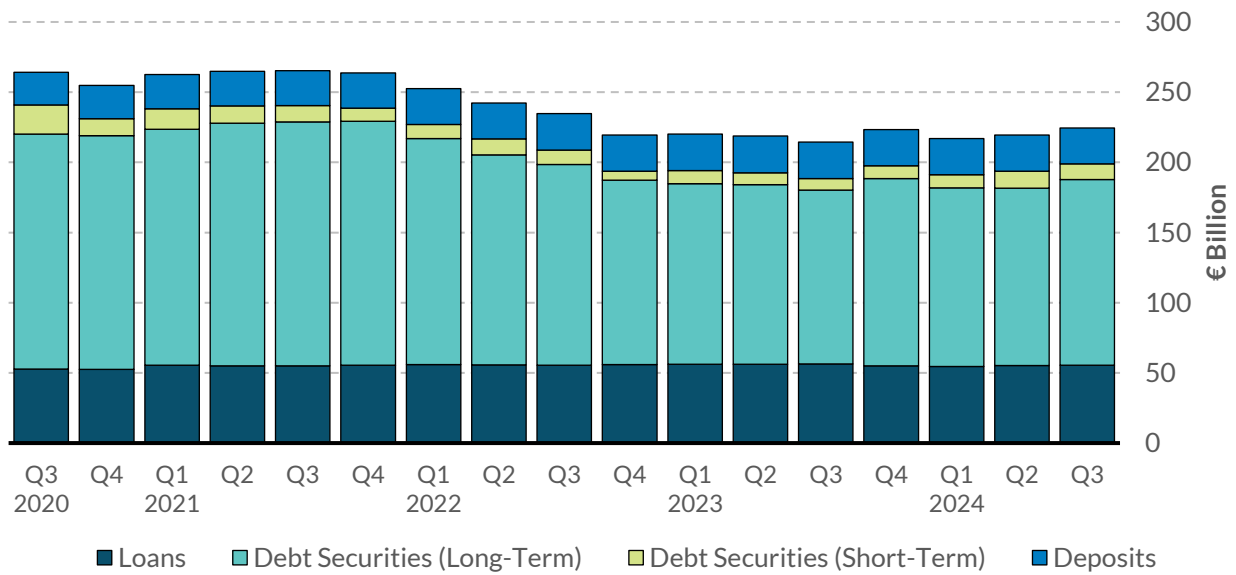


Irish households’ financial net wealth increased by €23.4bn in the quarter, to reach €393.1bn. This change was due to large positive revaluations and other changes as well as net lending of the household sector.

Households’ new financial investment was primarily in insurance and pension entitlements, which increased by €5.7bn. As well as this, currency and deposits assets increased by €1.4bn. These movements contributed to household financial assets reaching €556.4bn, of which insurance and pension entitlements accounted for 47 per cent, and currency and deposits 37 per cent.

Total liabilities of households were unchanged from the previous quarter at €163.3bn, with long-term loan liabilities accounting for 89 per cent of this. Households repaid €0.3bn in loans, although loan liabilities movements remain positive in year-to-date terms at €7.0bn.

## Chart 6: Government Debt and Composition



Irish government debt rose by €4.9bn to reach €224.4bn in Q3 2024. Long-term debt securities were the largest driver of this increased debt, growing by €5.8bn relative to the previous quarter and remains the largest component of government debt. Loan liabilities were roughly flat at €55.5bn.

Despite this, total government liabilities declined to €242.5bn, due to decreases in other liabilities of the government sector. This more than offset the increase in government debt.

Overall government financial assets totalled €133.0bn, €1.1bn less than in the previous quarter. Currency and equity holdings accounting for the largest share of government assets. These movements resulted in a net financial position of -€109.5bn for the Irish government, a 7.7 per cent reduction since Q2 2024.

*Please note, this updated QFA publication material will be followed by a second Q3 2024 release in February 2025. The second release will focus on the Irish household sector and include a breakdown by wealth distribution. Going forward, there will be two releases each quarter.*

## Further information

Quarterly Financial Accounts (QFA) present a complete and consistent set of financial balance sheet and transaction data for all sectors of the Irish economy.

Methodological guidance on the compilation of QFA and the series used in this release is provided in the “Notes on Compilation” document.

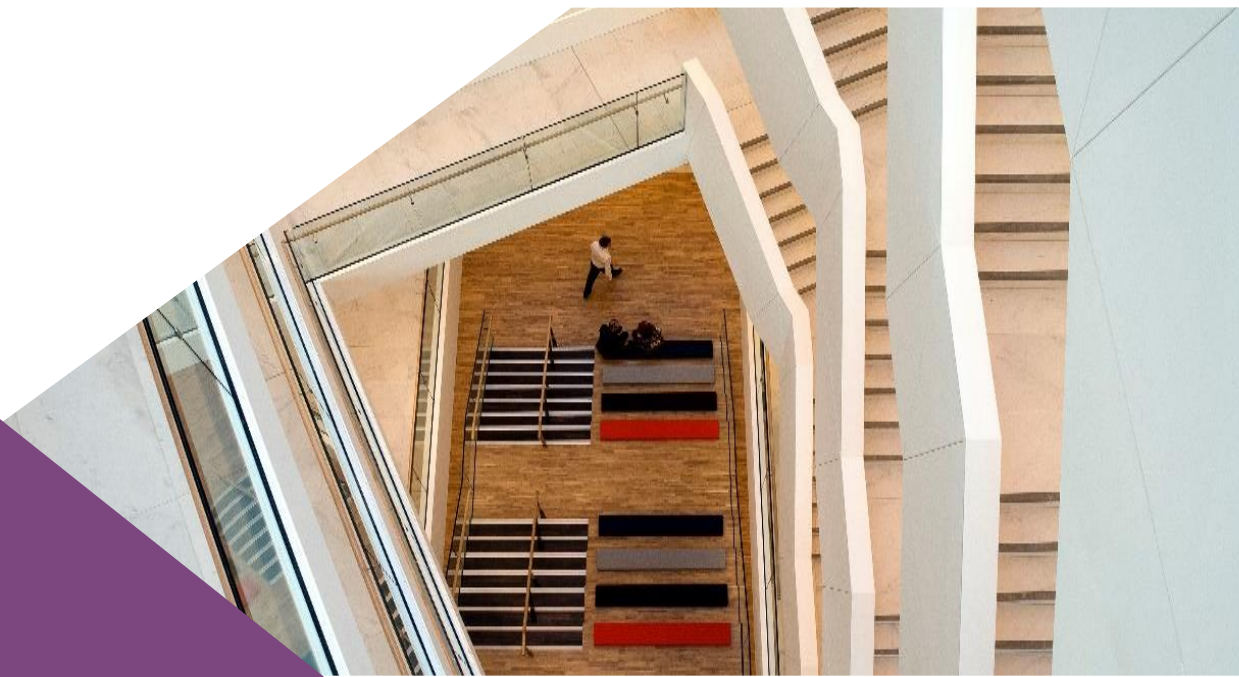
Full QFA data series for Ireland from Q1 2002 to present and whom-to-whom tables from Q1 2012 to present are available on the open data portal at:

<https://opendata.centralbank.ie/>

QFA and whom-to-whom tables for the current and previous quarter as well as notes on compilation and other background information are available from the Central Bank website at: <https://www.centralbank.ie/statistics/data-and-analysis/financial-accounts>

The Central Statistical Office (CSO) publishes Annual Financial Accounts (AFA): <https://www.cso.ie>

Euro area statistics are available from the ECB website at: <https://data.ecb.europa.eu/data>





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