

Deposit trends at Irish Covered Banks

May 2012 data set

June 2012

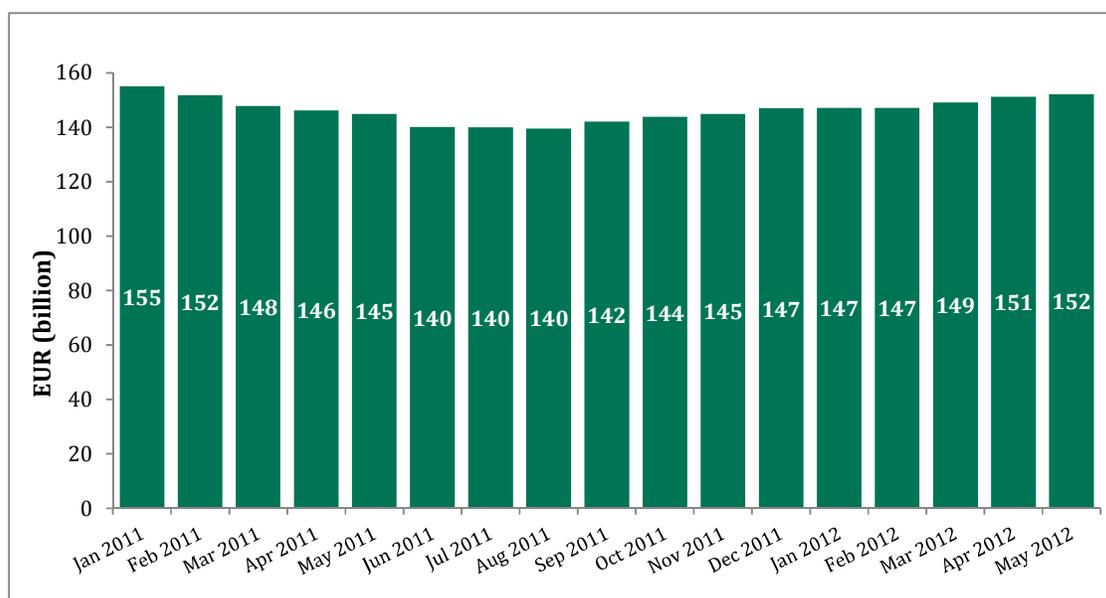


Consolidated Deposits at Covered Banks

May 2012 data

Deposits throughout May have remained very stable, despite elevated stresses in Eurozone markets. The data set for May shows that deposits at the Covered Banks rose by €0.9bn (0.6%) month-on-month to circa. €152bn. The cumulative growth since the start of the year is c.€5.2bn (3.3%). While the rate of growth has moderated during the month, the growth in May is broad based which is positive. FX movements also account for some of the growth in non-Euro based deposits.

Figure 1. Customer deposits at Covered Banks (consolidated figures) *



Source: Central Bank of Ireland

* Excludes NTMA deposits held prior to re-capitalisation, AIB's Polish operations. From January 2012 the figures also include the acquisition of Northern Rock deposits by permanent tsb.

A look at the monthly trend

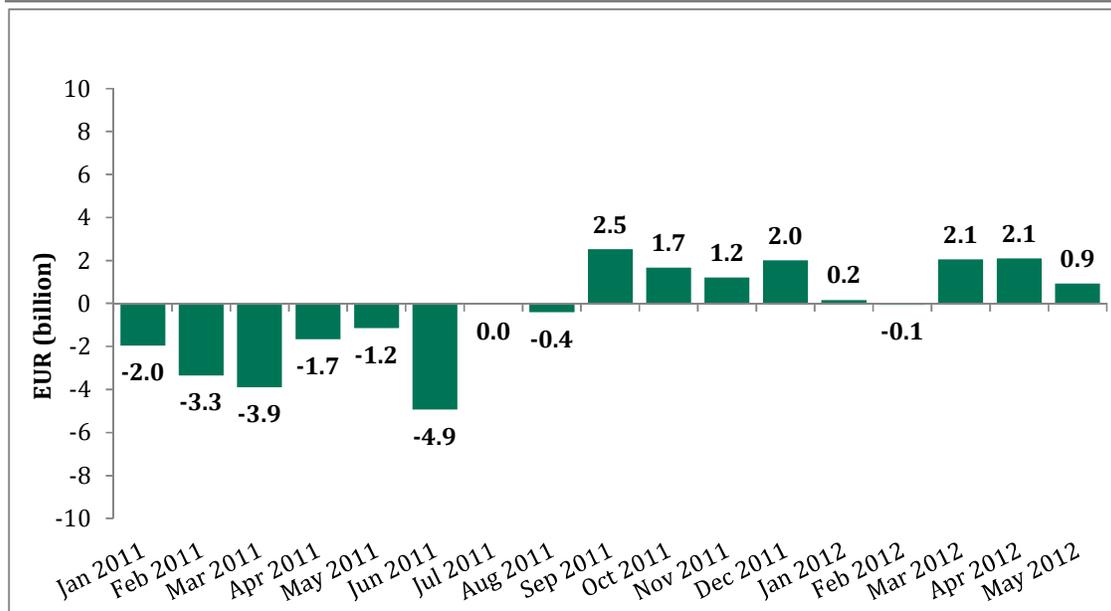
The increase during May of €0.9bn follows a rise of €2.1bn in April and brings the year to date increase to c.€5.2bn, an increase of 3.3%. Year-on-year deposits have increased by c.€7bn since May 2011. As shown in Figure 2 below, there have been steady month on month increases recorded across the Covered Banks each month since last September (with the exception of the Christmas period where deposits are subject to seasonality). However, as outlined above, on-going concerns in European markets has resulted in



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moderation in the rate of deposit growth. In addition, Euro weakness relative to Sterling during May provided some of the increase in deposits sourced in the UK.

Figure 2. Covered Bank deposit net inflows/outflows (consolidated figures)



Source: Central Bank of Ireland

Central Bank statistics are very different from those shown in the data set presented above.

Please note (as we covered in our first bulletin: http://banking.finance.gov.ie/wp-content/uploads/Deposit_Note-Republished-25-April-2012.pdf) that the statistics published by the Central Bank of Ireland are compiled using a different methodology than those produced by the Covered Banks themselves.

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