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Central Bank of Ireland

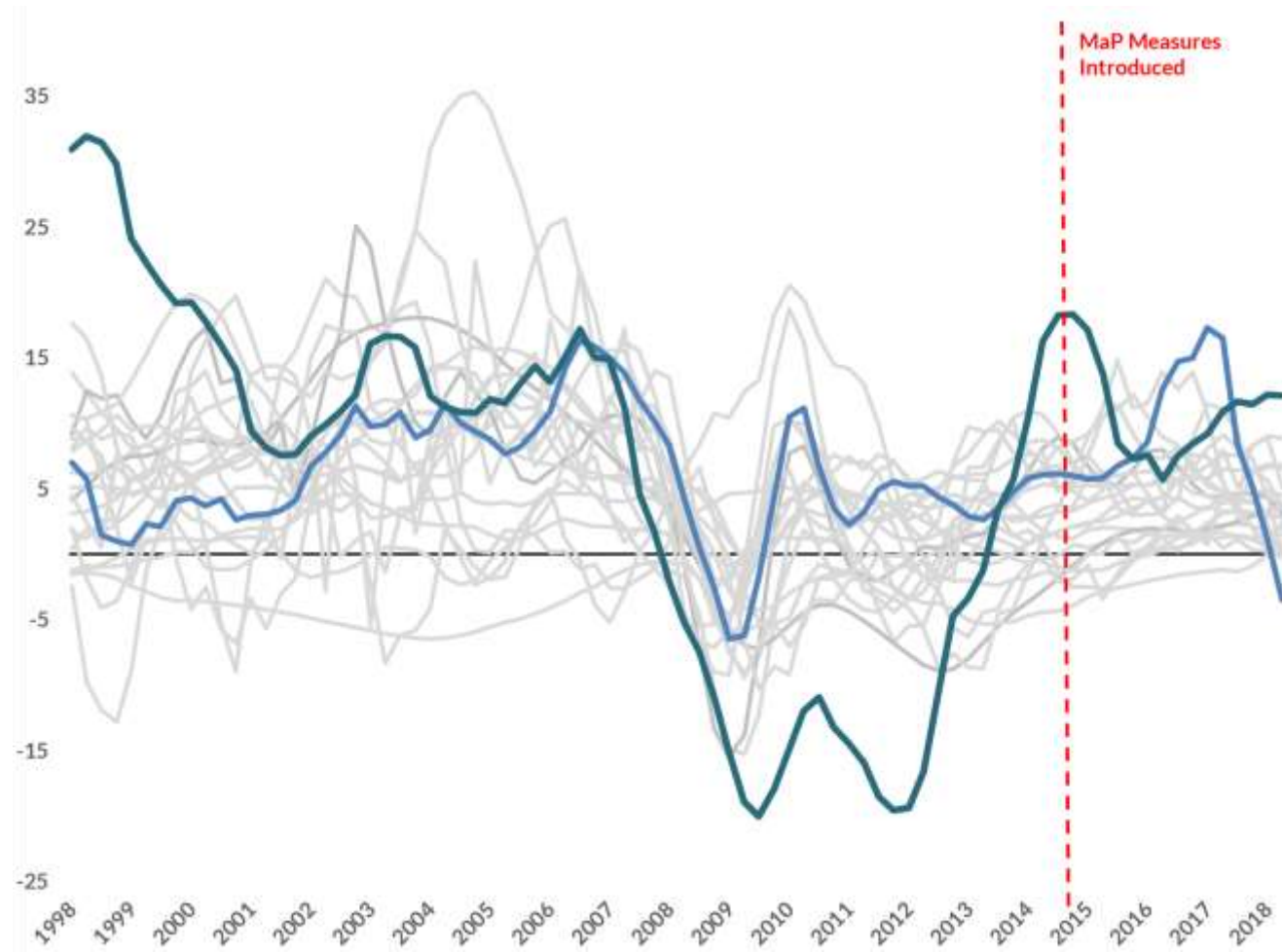
Eurosystem



Canadian National Housing Conference

Robert Kelly, November 2018

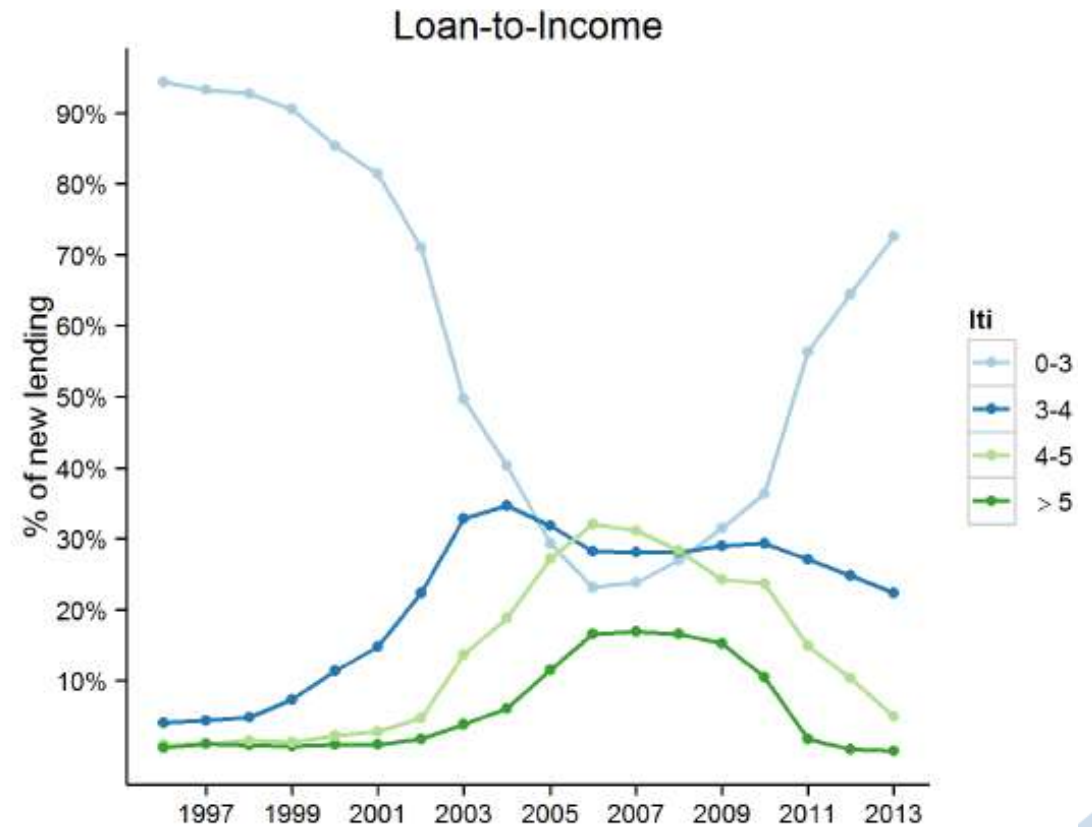
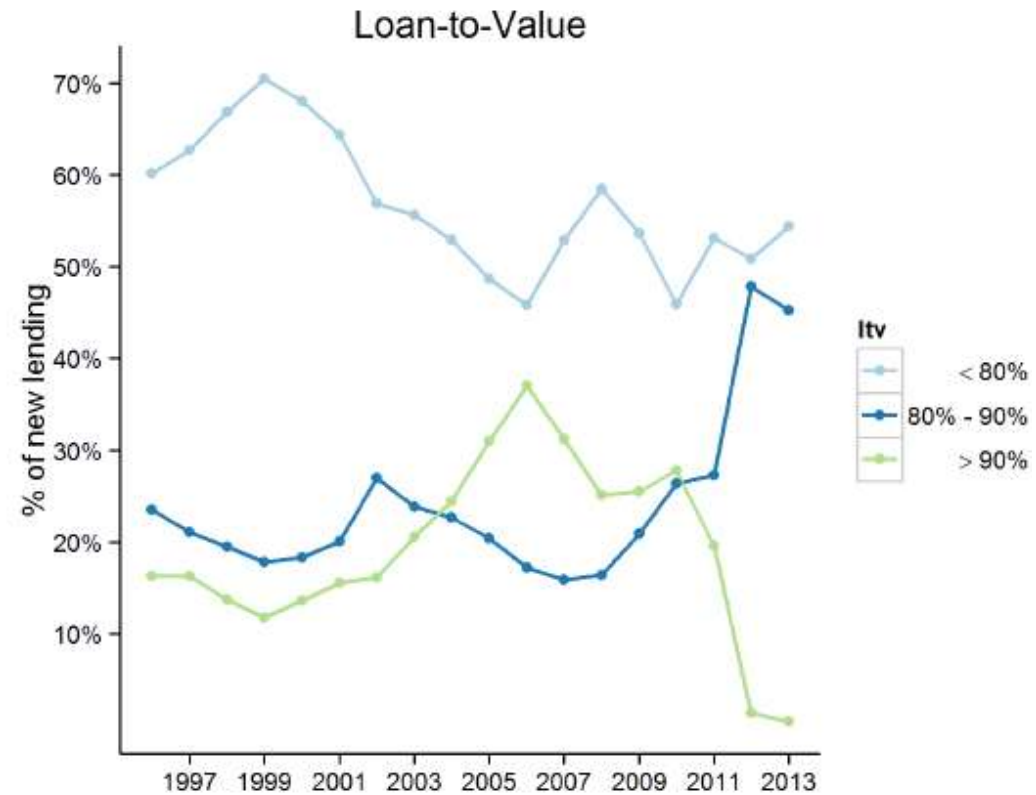
International Housing Cycle



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Credit Conditions over the Cycle

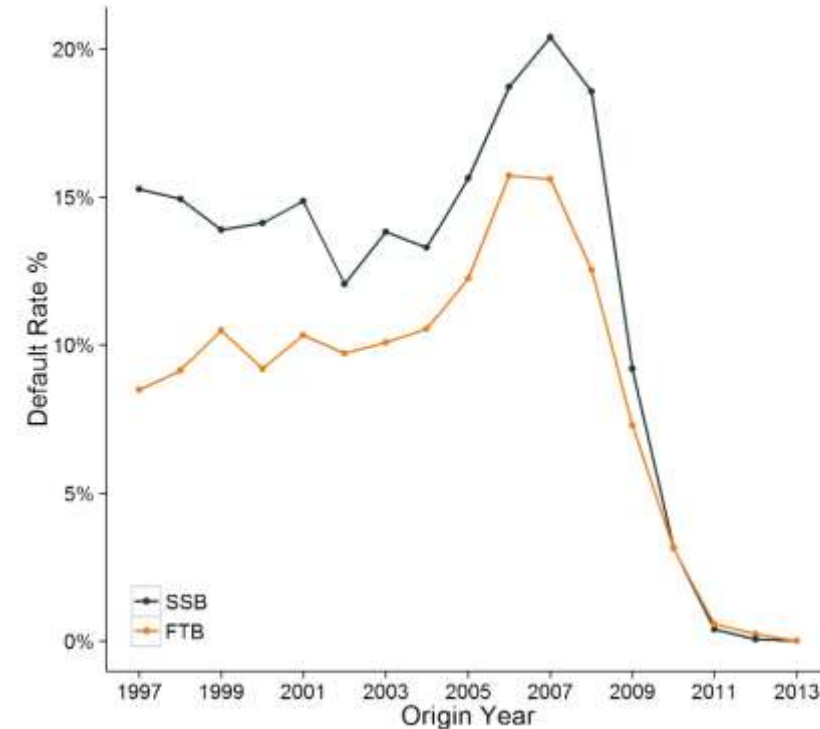


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Objectives of Measures & FTB Considerations

- Introduce measures with two objectives
 - Increase the resilience of banks and borrowers to negative economic shocks
 - Dampen the feedback loop between credit and house prices.
- Trade-off is the accessibility to housing.
- Is there something different about first time homeowners?

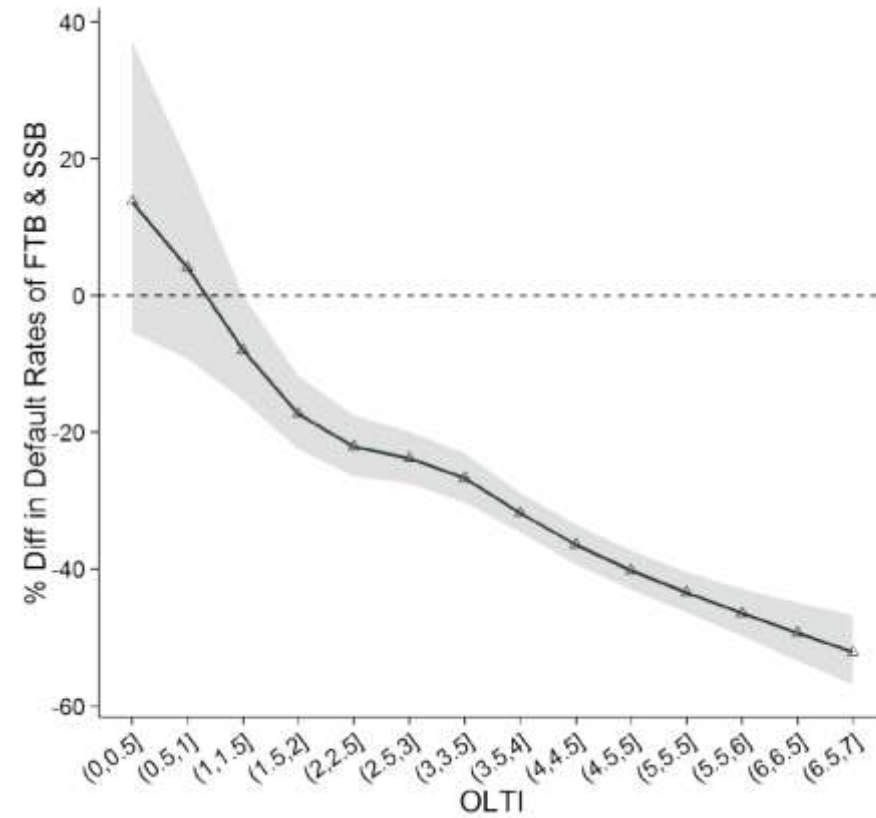
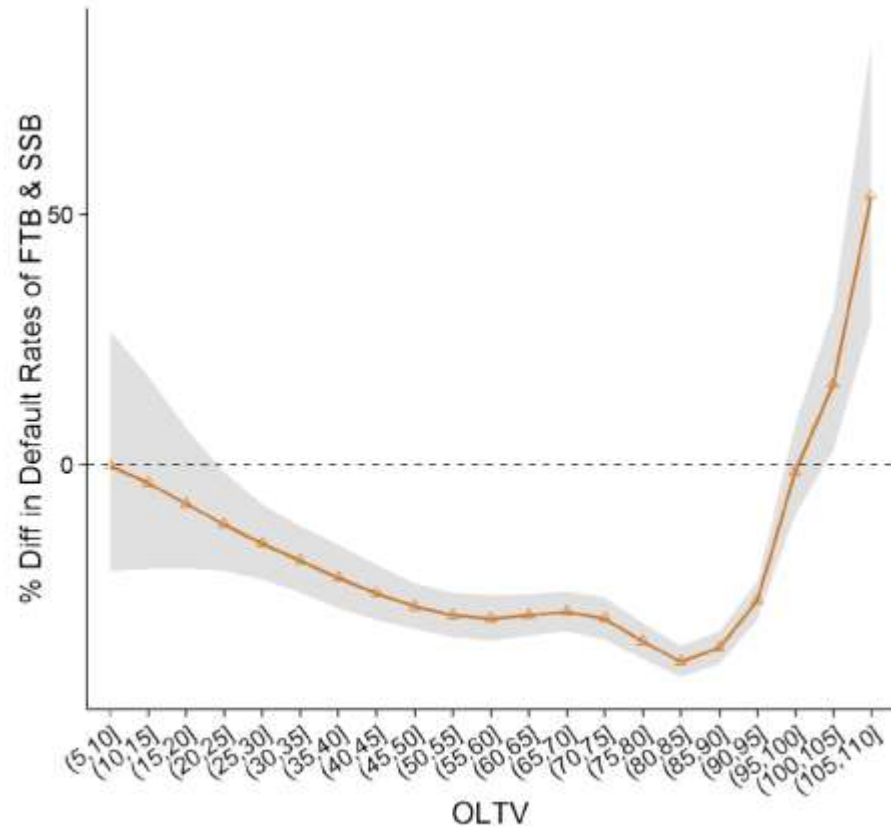


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Objectives of Measures & FTB Considerations

- Default modelling reveals some interesting features.....



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Borrower Based Measures

Introduced in February 2015.....

First Time Buyers



Second and Subsequent Buyers



Investors



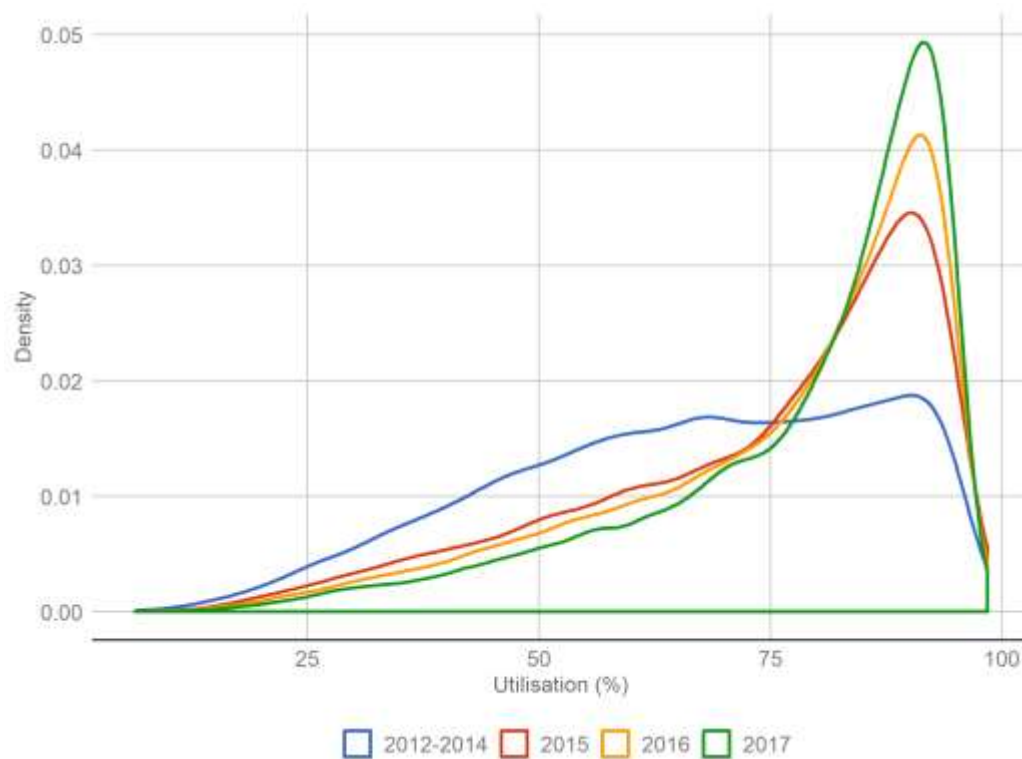
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Developments since introduction of Measures

Rules are becoming more binding.....

Allowances are concentrated Dublin.....



Ratio of Allowance/No Allowance for FTB %

	2016	2017	2018 H1
Loan Size	36.58	39.64	45.06
Property Value	34.60	35.85	39.66
Income	-6.24	-1.85	3.30
Single Applicant	-25.71	-12.68	-12.50
Dublin	93.55	125.00	139.29



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Thank you & Questions



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