



# Deposit Spotlight

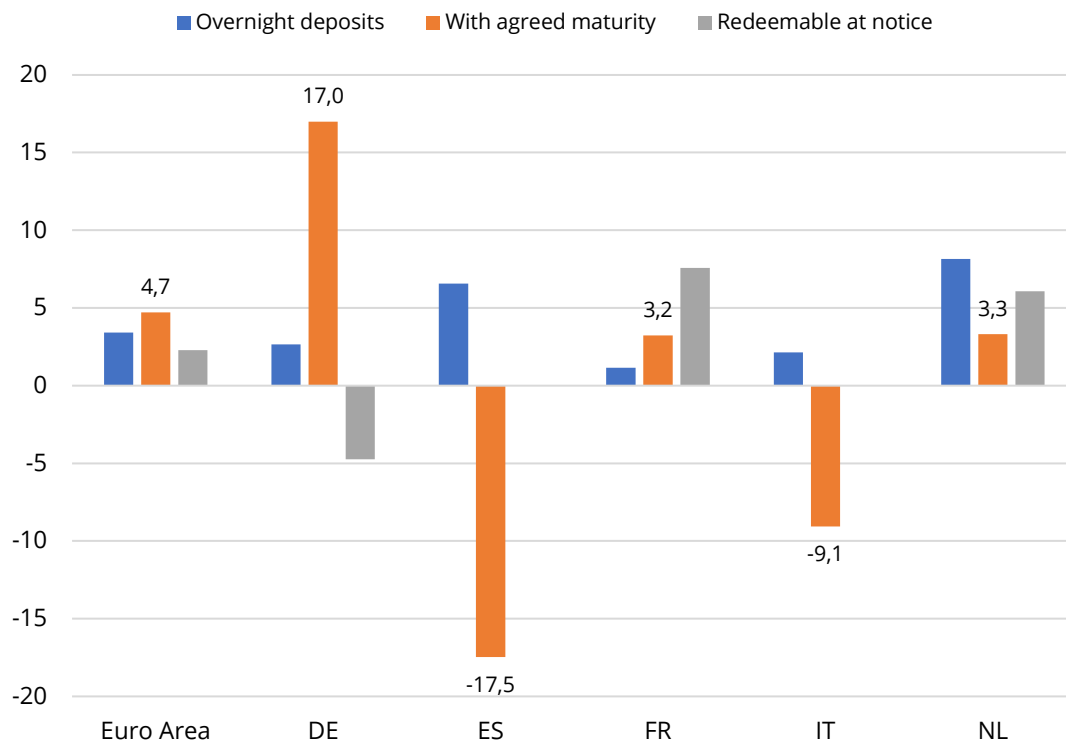
Raisin, March 2023

**Term deposits: Back in the game!** Savers are flocking back into deposit products with fixed maturities as they seek higher returns in a new rate environment.

Term deposits on average grew more than any other product category in 2022 as depositors are increasingly looking for higher returns on their savings

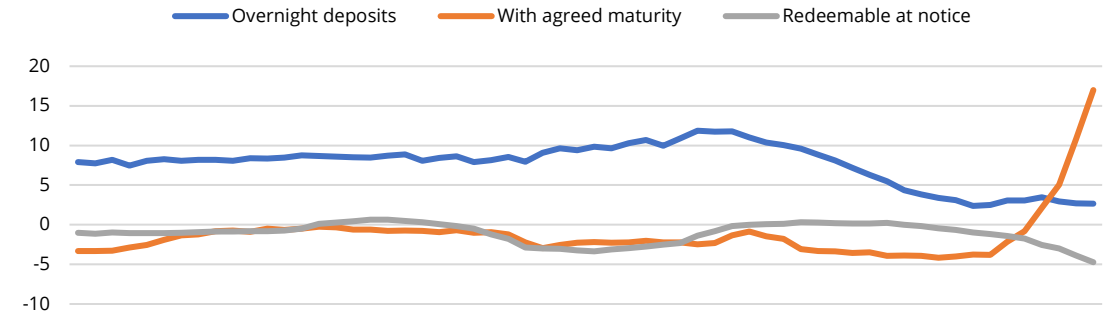
### Term deposits grew strongest in 2022 — however, the largest Euro markets still offer a mixed picture

YoY growth in outstanding retail deposits, %

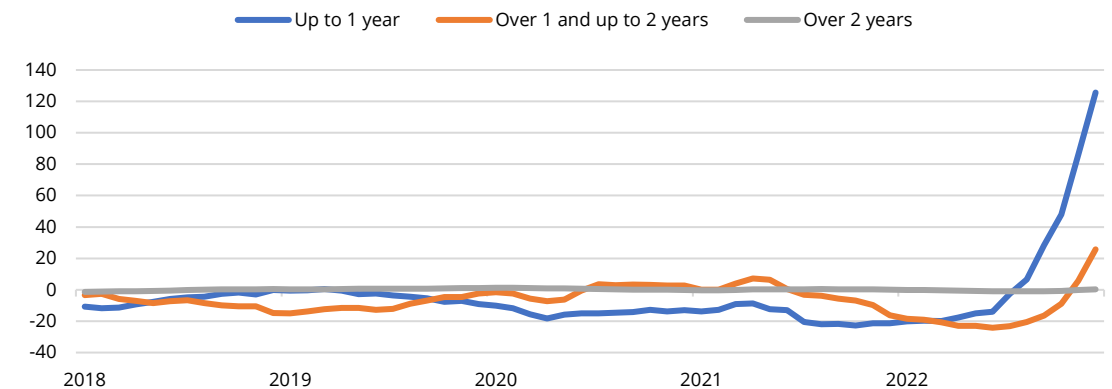


### The end of negative rates in 2022 moved German savers back into term products at the fastest pace in over a decade

YoY growth in outstanding retail deposits, Germany, %



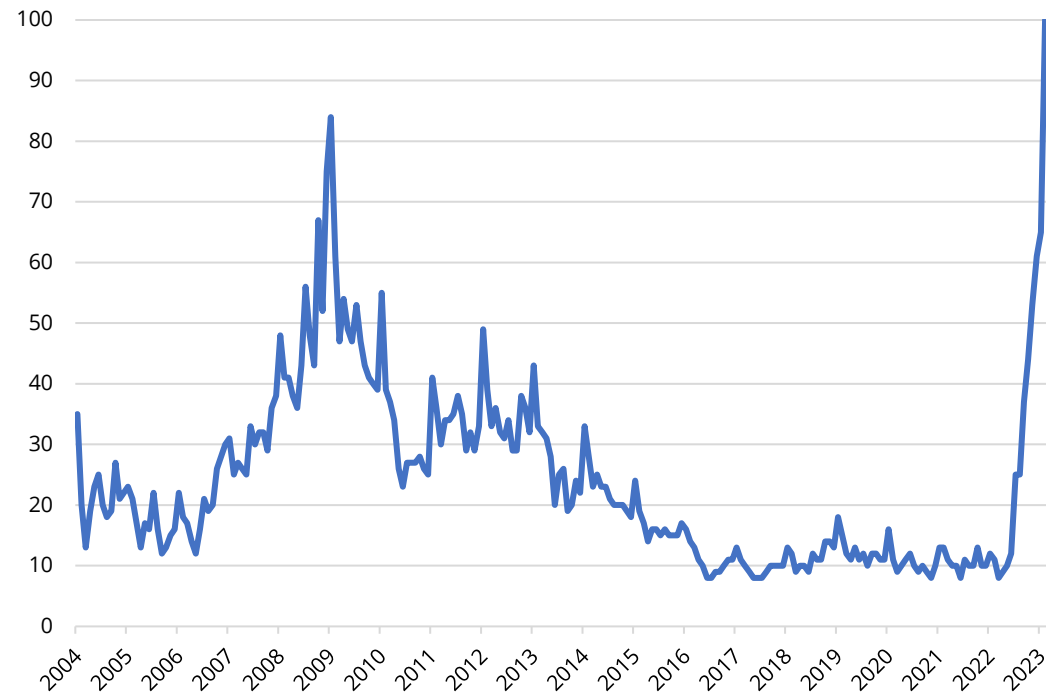
German retail deposit YoY growth by term, %



# Search activity for term deposits in Germany is at an all-time high in February 2023, underlining the rekindled demand for higher yielding products

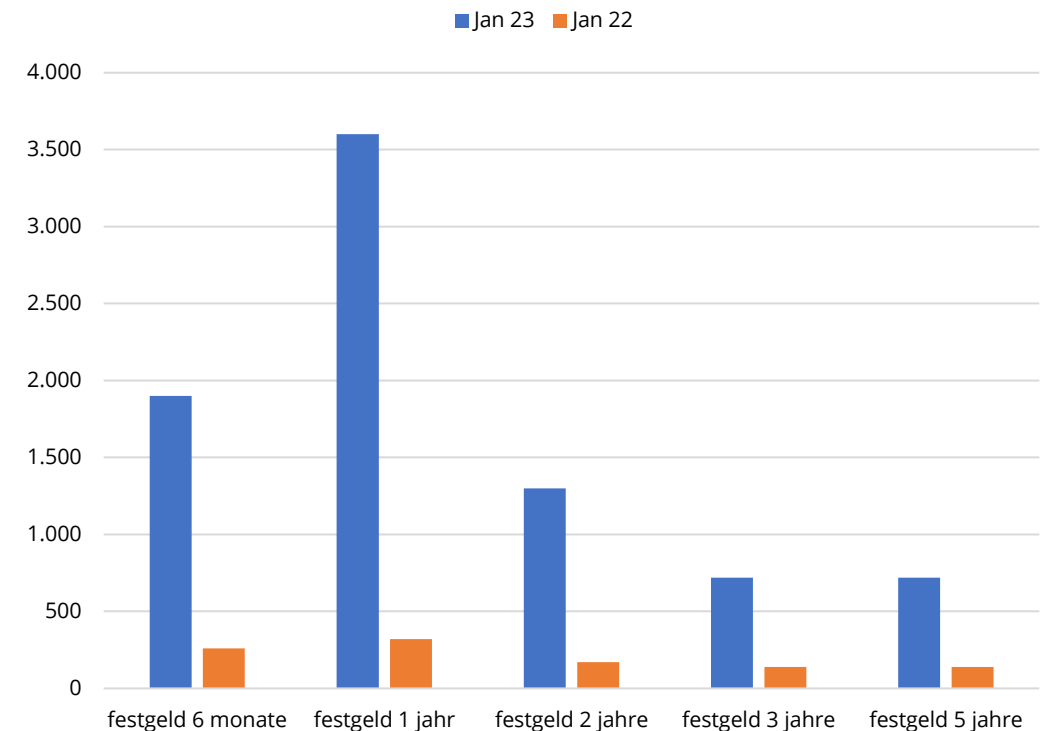
## Search activity for term deposits in Germany surged massively since mid-2022

Google Trends, "festgeld" search in Germany, from 0 (lowest) to 100 (highest)



## Savers show most interest in 6 and 12 months, but also longer tenors show increasing activity

Number of Google searches in Germany for selected term deposit keywords

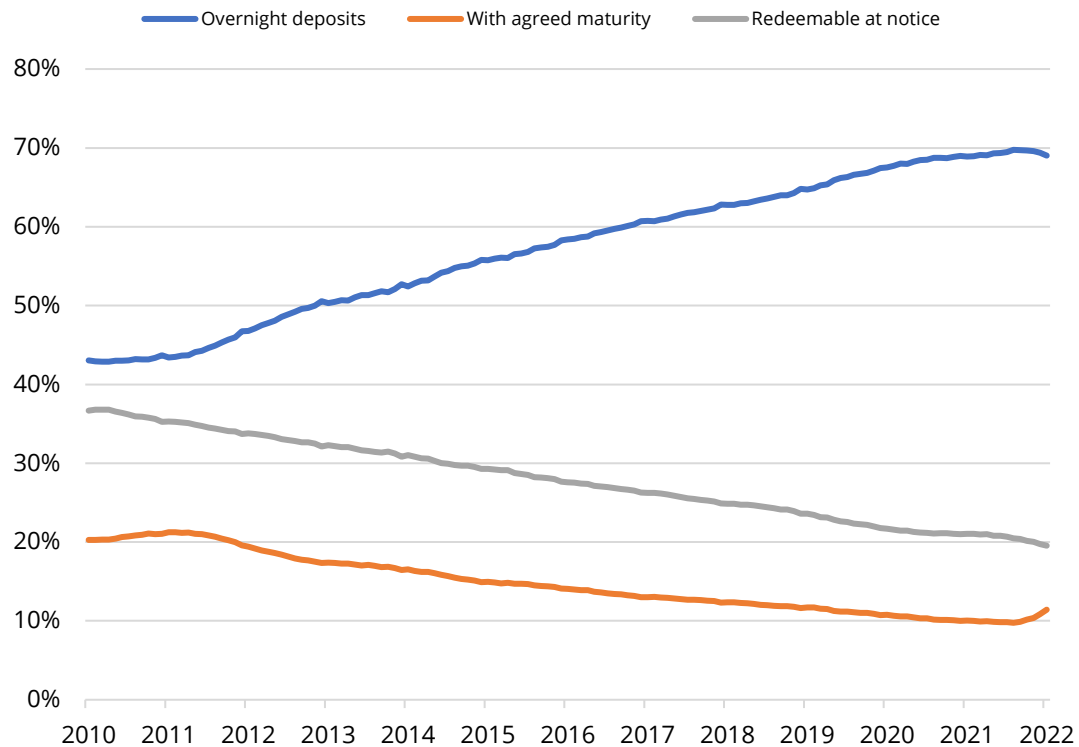


**The mix shift is real.** Savers rotating back into term deposits kicked-off a trend reversal in the deposit mix. The share of fixed-term deposits of all outstanding deposits is increasing again for the first time since 2011.

Savers are increasingly shifting deposits into higher yielding term deposits, reversing a decade-old trend in Germany and the Euro Area

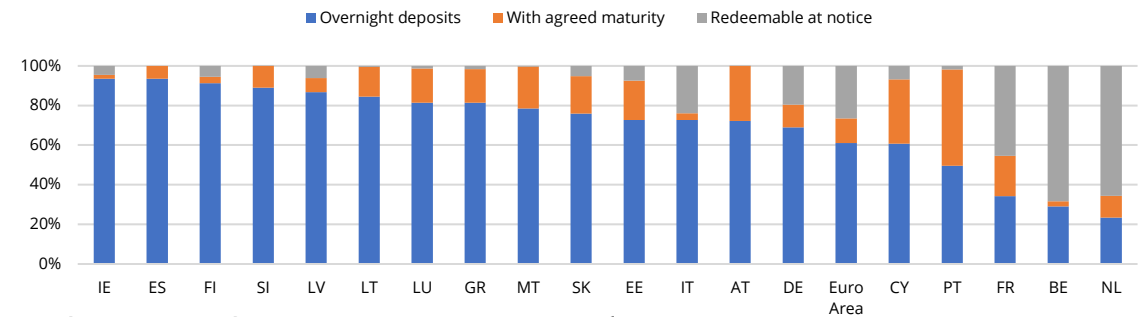
## Share of deposits with fixed maturity has started to increase again

Share of outstanding retail deposits, Germany

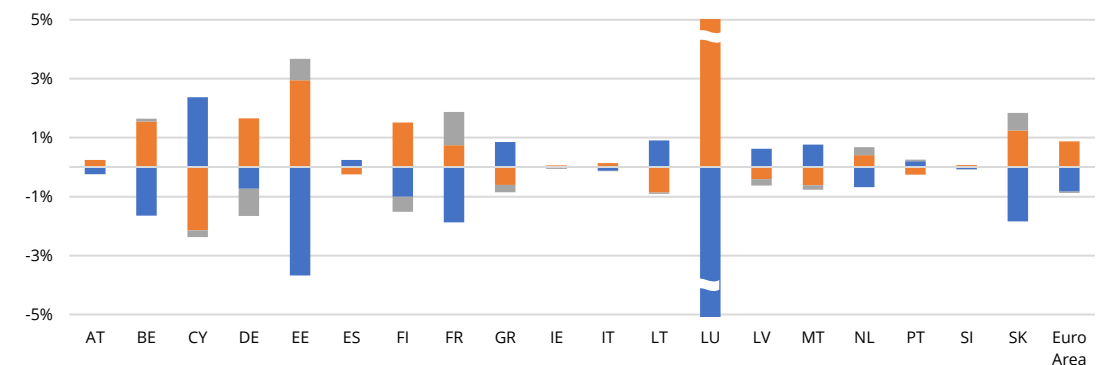


## While the majority of savings is still held in overnight accounts, most countries are starting to see a rotation back into term products

Retail deposit mix by country, Dec 22



## Change in deposit mix, Jun-Dec 22<sup>1</sup>



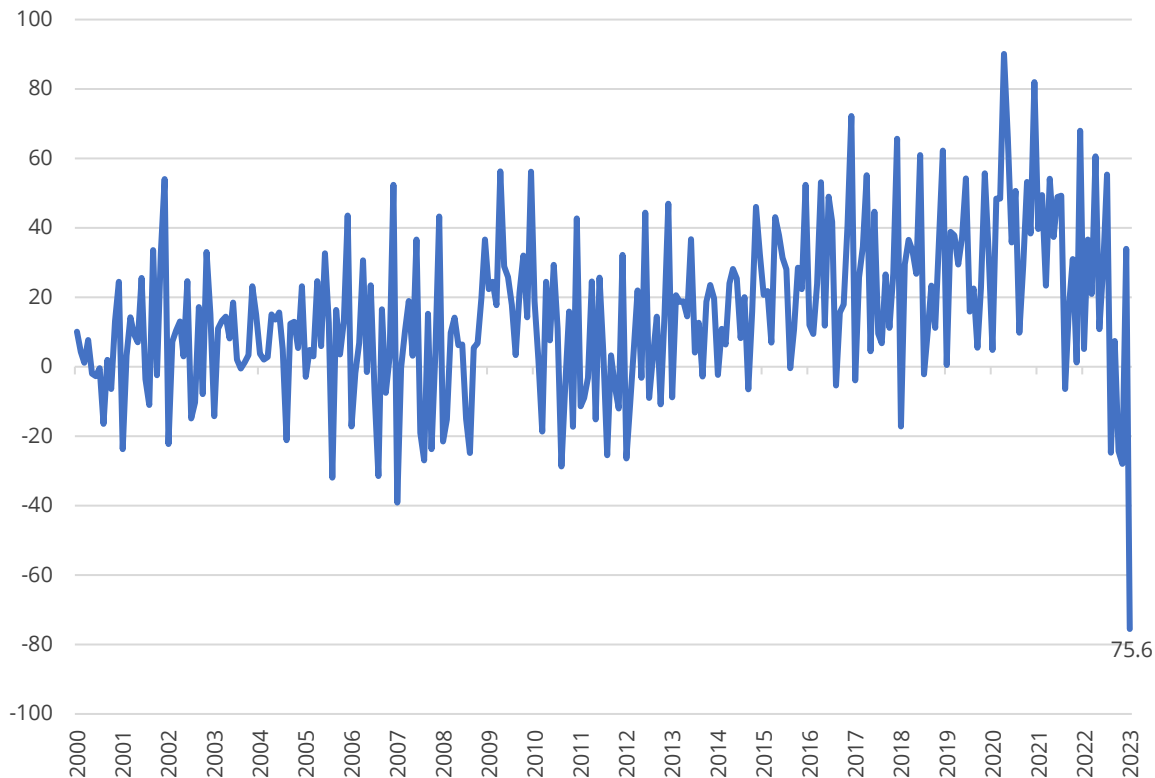
<sup>1</sup>Luxembourg out of scale: Overnight deposits, -11.5%. With agreed maturity, +11.5%.

Source: ECB, Raisin.

# Euro Area households continue to shift their savings into higher yielding term deposits at a record speed

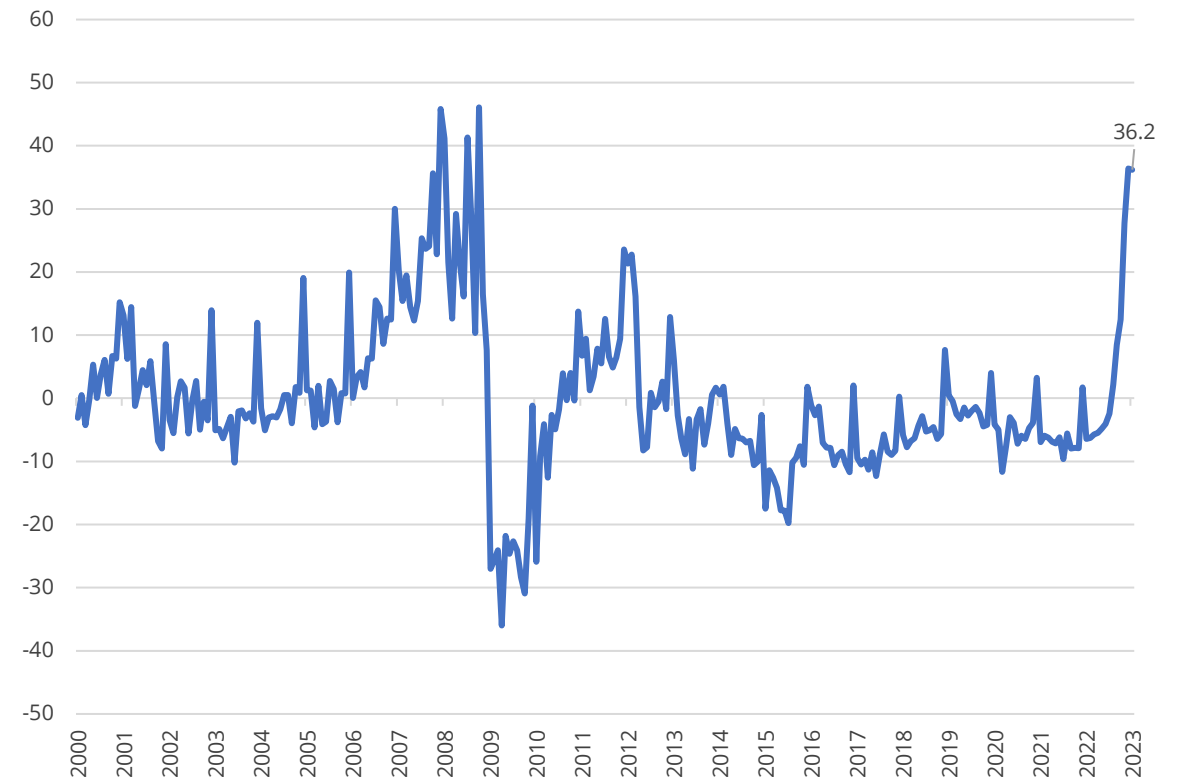
## Savers pulled money from their overnight accounts in January 2023 at a record level...

Net flows of overnight deposits from households, Euro Area, bn EUR



## ...and shifted a major share of it into higher yielding term deposits

Net flows of deposits with agreed maturity from households, Euro Area, bn EUR



# Get in touch!



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