How savers in the Eurozone deposit their money

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The savings behaviour of Europeans varies greatly from country to country. This has implications for banks’ access to deposit funding. For banks from countries where people do not use savings deposits accounts very intensively, deposit funding is more expensive than it would have to be. In order to solve this challenge, we are continuing to drive forward the development of a European deposit market - enabling banks to collect customer deposits across national borders and savers to take advantage of interest rate offers throughout Europe via their primary bank at home. As a new infrastructure for an open deposit market, our platform already connects more than 150 banks from 20 European countries. We are thus reviving the idea of the single European market.

Dr. Tim Sievers,
CEO & Founder of Deposit Solutions

We are reviving the idea of the single European market
Savers in the top 5 economies in the eurozone prefer different account types

In 2015, Europeans deposited 39% of their money on current accounts. Until 2020, this figure increased to 50%. On an ever-increasing proportion of their bank deposits, Europeans receive no more interest.

While the volume on current accounts increased, the amount of money deposited on fixed-term accounts, overnight money accounts and savings accounts, however, remained stable during the last decade.

Spaniards and Italians hold the highest shares of money in current accounts, with 80% and 67% respectively.

Overnight-money is particularly popular in Germany (24%), while savings accounts play an important role especially for Dutch savers (67%).

The share of deposits on fixed-term accounts ranges from 6% (Italy) up to 23% (France).
Overall, more than half of the money deposited at banks in the Eurozone is tied to maturities or subject to notice periods (term deposits: fixed-term accounts and savings accounts), while the rest is immediately available (sight deposits: current accounts and overnight-money to customers).

The preference for either long-term depositing or flexible cash management varies greatly in a European comparison. The Spanish are the biggest “flexibility lovers” with 85% of their money in sight deposits, while the Dutch stand out rather as “long-term planners” with 82% in term deposits.
Germany: Current account volume exceeds EUR 1 billion

- Current account vs. savings deposits volumes 2015-2020, in EUR billion

- Sight deposits vs. term deposits, April 2020

Money on German bank accounts per capita, in EUR

10,000
25,000
30,000
15,000
20,000
5,000
0
April 2020

34%
66%
EUR 832 billion
EUR 1,608 billion

Overnight money, fixed-term deposit and savings accounts vs. Current accounts

Current account vs. savings deposits volumes 2015-2020, in EUR billion
France: Savings deposits volume increases steadily

Money on French bank accounts per capita, in EUR

Sight deposits vs. term deposits, April 2020

Current account vs. savings deposits volumes 2015-2020, in EUR billion
Italy: Savings volume stable, current account volume on the rise

Sight deposits vs. term deposits, April 2020

Money on Italian bank accounts per capita, in EUR

Current account vs. savings deposits volumes 2015-2020, in EUR billion
Netherlands: Highest share of term deposits

- **Fixed-term deposit accounts**
- **Savings accounts**
- **Overnight money accounts**
- **Current accounts**

**Money on Dutch bank accounts per capita, in EUR**

- Sight deposits vs. term deposits, April 2020

**Current account vs. savings deposits volumes 2015-2020, in EUR billion**
Spain: Almost all the money is in current accounts

- **Almost all the money** is in current accounts.
- **85%** of the money is in current accounts, with **15%** in other accounts.
- Total money held in banks in April 2020: **EUR 746 billion** in current accounts and **EUR 132 billion** in other accounts.

**Money on Spanish bank accounts per capita, in EUR**

- **10,000** EUR per capita
- **25,000** EUR per capita

**Sight deposits vs. term deposits, April 2020**

- **15%** of deposits are in sight accounts.
- **85%** of deposits are in term accounts.

**Overnight money, fixed-term deposit and savings accounts vs. Current accounts**

- **Current accounts** are used for everyday transactions.
- **Fixed-term deposit accounts** and **savings accounts** are for savings.

**Current account vs. savings deposits volumes 2015-2020, in EUR billion**

- **2015**: EUR 408
- **2016**: EUR 482
- **2017**: EUR 548
- **2018**: EUR 610
- **2019**: EUR 677
- **2020**: EUR 706
The term “current account” is synonymous with the term “checking account”/“salary account”/“primary account”. “Overnight money account” is synonymous with the term “call-money account”. “Savings account” describes other account types that are subject to notice periods, e.g. notice accounts or passbooks. The term “Savings deposits accounts” refers to all interest bearing accounts and includes overnight money accounts, fixed-term deposits accounts, savings accounts. Sight deposits are funds on accounts that can be withdrawn without notice period. These include current accounts and overnight money accounts. Term deposits are funds that are subject to fixed maturities or notice periods. These include fixed-term deposit accounts and savings accounts.

DEFINITIONS

SOURCES

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