

**BANK OF ISRAEL**

Office of the Spokesperson and Economic Information

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Press Release:

**Periodic report on the prices of common banking services for households in the first half of 2022**

Today the Banking Supervision Department presented its periodic report on the prices of common banking services for households in the first half of 2022 to the Knesset Economic Affairs Committee. The report is based on reports by the banking corporations and credit card companies regarding fees charged during the first half of 2022.

**Supervisor of Banks Mr. Yair Avidan** said, “The periodic report on fees presents an opportunity for the Banking Supervision Department to bring to the public’s attention the importance of proper banking conduct. The Banking Supervision Department works in several ways in order to place the focus on the customer and to enable the public to reduce the costs of managing the account, by placing several basic current account services under supervision, by joining the fee tracks service and by reducing the cost of banking activities carried out via direct channels and digital means, compared to those carried out by a teller. I again urge the public to utilize the “Banking ID Card” that is being sent out, in order to examine the state of their accounts, including the cost of banking services charged this year, including the cost of the banking services charged during the year, and accordingly to act to improve the terms of the account.

Following are the main points of the report:

* In the first half of 2022, there was a slight increase in the ratio of fee income to the banking system’s assets, impacted by, to a large extent, an increase in the scope of fees charged to large companies, deriving from growth in activity as part of the return to routine after the COVID-19 crisis. This increase did not impact on the general trend of a decline in this ratio. This decline occurred after the reform of 2008, and to date there has been a cumulative decline of approximately 46 percent. This decline is attributed to, among other things, a range of the Banking Supervision Department’s activities regarding fees in recent years.
* The average cost of managing a current account and holding payment cards per account, in the first half of 2022, is NIS 26.3 per month (an increase of NIS 1.7 per month compared to 2021). Note that this cost is NIS 0.6 lower than the cost measured in 2019, before the outbreak of the COVID-19 crisis, when it was NIS 26.9.

The increase in the first half of 2022, compared to 2021, derives mainly from growth in foreign currency transactions carried out by the public via payment cards. This increase derives from the process of returning to routine after the COVID-19 crisis (in January-February 2022 the fifth wave of the coronavirus crisis hit, after which there was some return to routine activity in the shadow of the pandemic).