

Non-financial sector debt ratios - International comparisons • 2020 Q1

The private sector debt ratio rises in the euro area, in particular in France

Non-financial private sector debt ratio (in % of GDP)

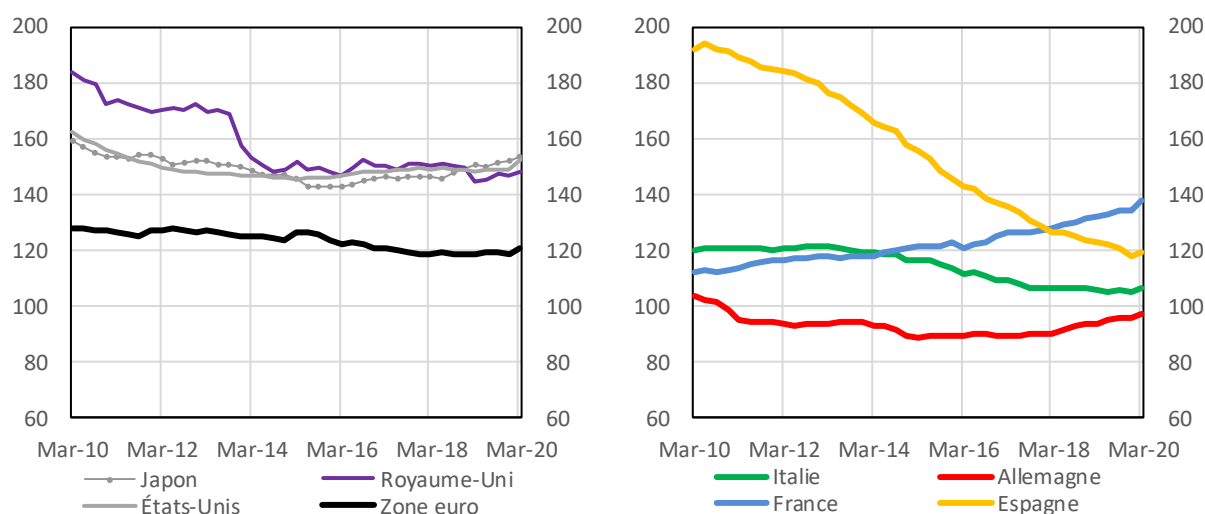
At the end of the first quarter of 2020, the non-financial private sector (NFPS) debt ratio reaches 120.8 % of GDP in the euro area, a level above the one in the previous quarter (+ 2.2 points after - 1 point in 2019 Q4). This is due not only to the increase in the stock of debt but also to the decline in GDP over this period. The increase is marked in France (+ 3.7 points), in particular because of the rise of the non-financial corporations' ratio (+2.6 points, breaking down into +2.0 points due to debt increase and +0.6 point due to GDP fall). The private debt ratio increases at a more moderate pace in Italy, Germany and Spain (respectively by 1.6, 1.5 and 1.3 point).

Outside the euro area, the non-financial private sector debt ratio in Japan continues to rise (+ 1.4 percentage point of GDP) to reach 153.7 % in 2020 Q1. It increases more in the United States (+3.4 points) than in the United Kingdom (+2 points of GDP).

Preliminary figures on 2020 Q2 suggest that the NFPS debt ratio could exceed 10 points of GDP for some euro area countries, due to both the funding of non-financial corporations' cash requirements during lockdown and the decline in GDP.

Non-financial private sector debt (in % of GDP)

	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
United States	148,6	148,8	149,2	148,8	152,2
Japan	150,8	150,3	151,2	152,3	153,7
Euro area	118,7	119,3	119,6	118,6	120,8
o/w Germany	93,7	95,3	96,1	96,0	97,5
France	131,9	132,8	134,4	134,6	138,3
Italy	105,5	105,4	105,5	104,9	106,5
Spain	122,9	122,0	120,7	117,9	119,2
United Kingdom	144,6	145,5	147,9	146,5	148,5



*Debt ratio at nominal value for the United Kingdom is calculated by interpolation.



Households debt ratio (in % of GDP and in % of GDI)

Households debt					
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
United States	102,5	102,6	102,9	103,0	103,6
	130,5	130,6	130,8	131,0	131,2
Japan	58,8	58,7	58,7	59,1	59,3
	99,9	99,6	100,4	100,9	101,1
Euro area	57,5	57,7	57,8	57,8	58,3
	93,2	93,4	93,5	93,8	93,7
o/w Germany	53,6	54,0	54,4	54,5	54,9
	83,9	84,4	84,8	85,0	85,3
France	59,6	60,1	60,8	61,4	62,3
	95,1	95,8	96,8	97,6	98,0
Italy	40,9	41,2	41,2	41,2	41,6
	60,9	61,3	61,4	61,6	61,6
Spain	58,4	58,7	57,4	56,9	56,9
	94,3	94,4	92,4	91,5	90,8
United Kingdom	83,1	83,3	83,7	83,7	84,3
	119,8	120,3	121,2	121,6	122,0

Non-financial corporations debt ratio (in % of GDP)

Non-financial corporations debt (in % of GDP)					
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
United States	46,1	46,2	46,3	45,8	48,6
Japan	92,0	91,5	92,5	93,2	94,4
Euro area	61,2	61,6	61,9	60,8	62,5
o/w Germany	40,1	41,3	41,7	41,5	42,6
France	72,2	72,6	73,6	73,3	75,9
Italy	64,6	64,3	64,4	63,7	64,8
Spain	64,5	63,3	63,3	61,0	62,3
United Kingdom	61,5	62,2	64,2	62,9	64,2

Source: Quarterly national financial accounts and Eurostat, Computation: Banque de France



General government sector debt ratio (in % of GDP)

In the euro area, the general government debt ratio reaches 86.3 % of GDP at the end of the first quarter of 2020, up from 2.2 points compared to the previous quarter. The public debt ratio rises in Germany (+ 1.5 point of GDP). It also increases in Italy (+2.8 points) and more markedly in Spain and France (respectively by 3.3 points and by 3.1 points)

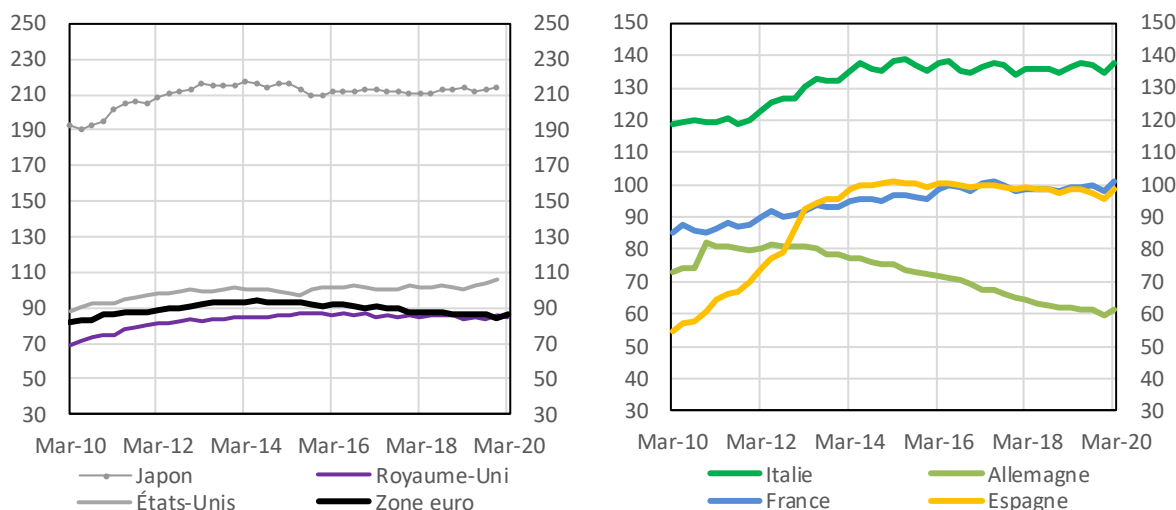
Outside the euro area, the government debt ratio rises more in the United States (+ 1.8 point) than in Japan (+ 0.8 point). By contrast, it decreases in the United Kingdom (- 0.7 point in 2020 Q1).

During the second quarter, government debt ratio probably should increase markedly (more than 10 points of GDP in some countries), because of the financing of governmental action implemented to respond to the pandemics.

Non-financial corporations debt (in % of GDP)

	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
United States	101,3	99,8	102,4	103,6	105,4
Japan	213,4	213,7	211,5	213,0	213,8
Euro area	86,4	86,2	85,9	84,1	86,3
o/w Germany	61,7	61,1	61,1	59,8	61,3
France	99,1	99,1	100,0	98,1	101,2
Italy	136,4	137,7	137,0	134,8	137,6
Spain	98,6	98,6	97,5	95,5	98,8
United Kingdom	84,1	84,8	84,1	85,4	84,7

* "Maastricht" definition NSA (nominal value) for European Union countries.



Additional information

For each sector (NFC, Households and General government), the French debt includes outstanding loans from resident and non-resident MFI (i.e. both loans between resident NFCs and between non-resident NFCs are excluded) and issued securities other than shares at nominal value.

Disseminated data of other countries are less detailed. NFC's net loans are therefore estimated in withdrawing loans assets - mainly loans to resident and non-resident affiliated entities - from loans liabilities.





Breakdown of the increase in households debt ratio (in % of GDP)

	<i>Ratio Increase</i>	<i>Debt Effect</i>	<i>GDP Effect</i>
United States	0,6	1,1	-0,5
Japan	0,2	0,1	0,1
Euro area	0,4	0,2	0,2
o/w Germany	0,4	0,4	0
France	0,9	0,4	0,5
Italy	0,4	-0,1	0,5
Spain	0	-0,3	0,4
United Kingdom	0,6	0,7	-0,1

Breakdown of the increase in non-financial corporations debt ratio (in % of GDP)

	<i>Ratio Increase</i>	<i>Debt Effect</i>	<i>GDP Effect</i>
United States	2,8	3	-0,3
Japan	1,2	1	0,2
Euro area	1,7	1,5	0,2
o/w Germany	1,1	1,1	0
France	2,6	2	0,6
Italy	1,1	0,4	0,7
Spain	1,2	0,8	0,4
United Kingdom	1,4	1,4	-0,1