

22nd February 2022

Non-financial sector debt ratios - International comparisons • 2021 Q3

GDP growth enables a slight decline in private debt ratios

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

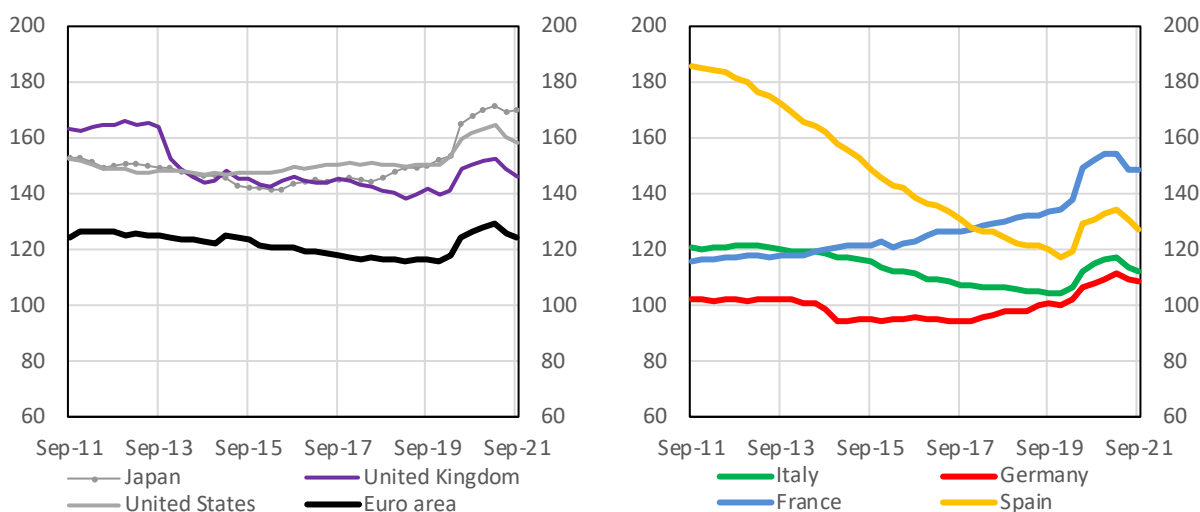
In the third quarter of 2021, the non-financial private sector debt ratio reaches 124.5 % of GDP in the euro area, 1.4 point down compared to the previous quarter (after -3.6 points in 2021 Q2). This decrease in the debt ratios of non-financial corporations and households is due to GDP growth, even though debt continues to increase (cf. additional information).

The private debt ratio declines more in Spain (- 3.1 points in 2021 Q3), than in Italy and in Germany (respectively by - 1.3 point and by - 0.6 point). It falls slightly in France (- 0.5 point). The French ratio stands at 148.4 % of GDP and remains the largest one among the main euro area economies. This dynamic is driven by corporations, which are indebted up to 82 % of national wealth, compared with 66.4 % for households.

Outside the euro area, the non-financial private sector debt ratio decreases more in the United Kingdom (- 2.4 points in 2021 Q3) than in the United States (- 1.7 point). In contrast, it increases in Japan (+ 0.3 point of GDP).

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

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
United States	161,5	163,5	164,5	160,1	158,4
Japan	167,9	170,2	171,1	169,5	169,8
Euro area	126,4	127,7	129,5	125,9	124,5
o/w Germany	108,2	109,5	111,2	109,2	108,6
France	152,0	154,6	154,0	148,9	148,4
Italy	115,0	116,9	117,6	113,6	112,3
Spain	130,8	133,0	134,2	130,5	127,4
United Kingdom	150,1	151,9	152,8	148,7	146,3



*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				
	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
United States	109,1	110,9	111,3	108,9	107,8
	129,0	128,9	125,0	127,0	127,4
Japan	66,0	66,7	67,3	66,7	66,9
	110,1	111,9	113,5	115,9	115,8
Euro area	61,1	62,1	62,4	61,2	60,9
	96,6	97,4	97,9	98,0	98,3
o/w Germany	56,7	57,8	58,4	57,7	57,6
	88,6	89,6	90,4	90,9	91,7
France	66,4	67,7	67,9	66,4	66,4
	99,9	100,6	100,9	101,2	101,8
Italy	44,4	45,1	45,5	44,2	43,8
	64,0	64,7	65,3	65,1	65,2
Spain	61,2	62,5	62,7	61,4	59,9
	93,4	94,4	94,8	95,1	93,8
United Kingdom	88,4	90,0	90,7	88,4	87,4
	128,4	129,2	129,0	129,0	129,0

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

	Non-financial corporations debt (in % of GDP)				
	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
United States	52,5	52,6	53,2	51,2	50,6
Japan	101,9	103,6	103,8	102,8	102,9
Euro area	65,3	65,6	67,1	64,7	63,6
o/w Germany	51,5	51,7	52,8	51,5	51,0
France	85,6	86,9	86,2	82,5	82,0
Italy	70,6	71,8	72,1	69,4	68,5
Spain	69,6	70,5	71,5	69,1	67,5
United Kingdom	61,7	61,9	62,1	60,4	58,8

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



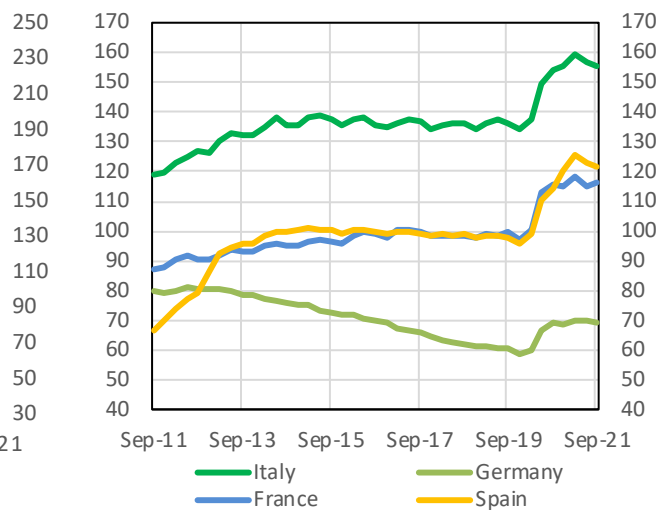
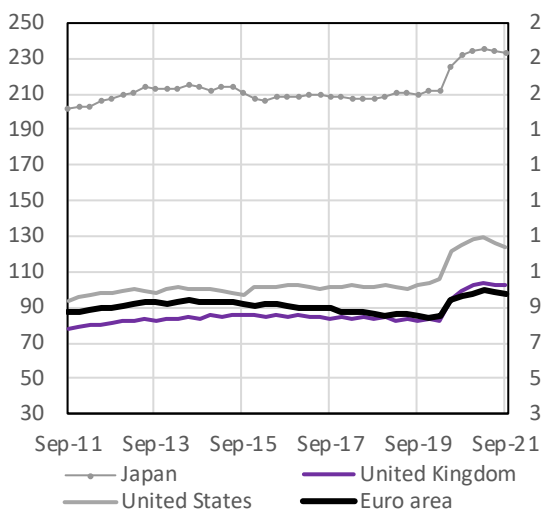
General government sector debt ratio (in % of GDP)

The general government debt ratio in the euro area decreases by 0.6 percentage points reaching 97.7% of GDP at the end of the third quarter of 2021. Similarly to the private sector, this decline is due to an increase in GDP, while debt continued to increase due to the financing needs of the policy measures adopted to mitigate the economic and social impact of the coronavirus pandemic (cf. additional information). The public debt ratio falls in Italy (- 1.1 point of GDP). It also decreases in Spain and in Germany (respectively by - 0.9 point and - 0.3 point in Q3 2021). On the contrary, this ratio increases in France by + 1.4 point, coupled with an increase of liquid assets of the general government.

Government sector debt (in % of GDP)

	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21
United States	125,0	128,8	129,7	126,6	123,5
Japan	231,6	234,6	235,1	233,9	233,5
Euro area	96,6	97,3	100,0	98,3	97,7
o/w Germany	69,1	68,7	69,9	69,7	69,4
France	115,4	115,0	118,1	114,9	116,3
Italy	154,2	155,6	159,6	156,4	155,3
Spain	114,1	120,0	125,3	122,7	121,8
United Kingdom	98,8	102,4	103,4	102,6	102,3

* "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	-1.1	1.4	-2.5
Japan	0.2	0.1	0.0
Euro area	-0.3	0.7	-1.0
o/w Germany	-0.1	0.9	-1.0
France	0.0	1.0	-1.0
Italy	-0.4	0.2	-0.6
Spain	-1.5	-0.8	-0.8
United Kingdom	-0.9	0.7	-1.6

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	-0.6	0.6	-1.2
Japan	0.1	0.1	0.0
Euro area	-1.1	0.0	-1.1
o/w Germany	-0.5	0.4	-0.9
France	-0.6	0.6	-1.2
Italy	-0.9	0.0	-0.9
Spain	-1.6	-0.8	-0.8
United Kingdom	-1.6	-0.5	-1.1

Breakdown of the increase in General government sector debt ratio (in % of GDP)

	<i>Ratio increase</i>	<i>Debt effect</i>	<i>GDP effect</i>
United States	-3.1	-0.2	-2.9
Japan	-0.4	-0.4	0.0
Euro area	-0.6	1.0	-1.6
o/w Germany	-0.3	1.0	-1.3
France	1.3	3.0	-1.7
Italy	-1.1	0.6	-1.7
Spain	-0.9	0.6	-1.5
United Kingdom	-0.2	1.6	-1.9

