

17th November 2022

Non-financial sector debt ratios - International comparisons • 2022 Q2

Private and public debt ratios continue to fall back in Q2 2022 as a result of nominal GDP growth, but the stocks in the numerator still increase.

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

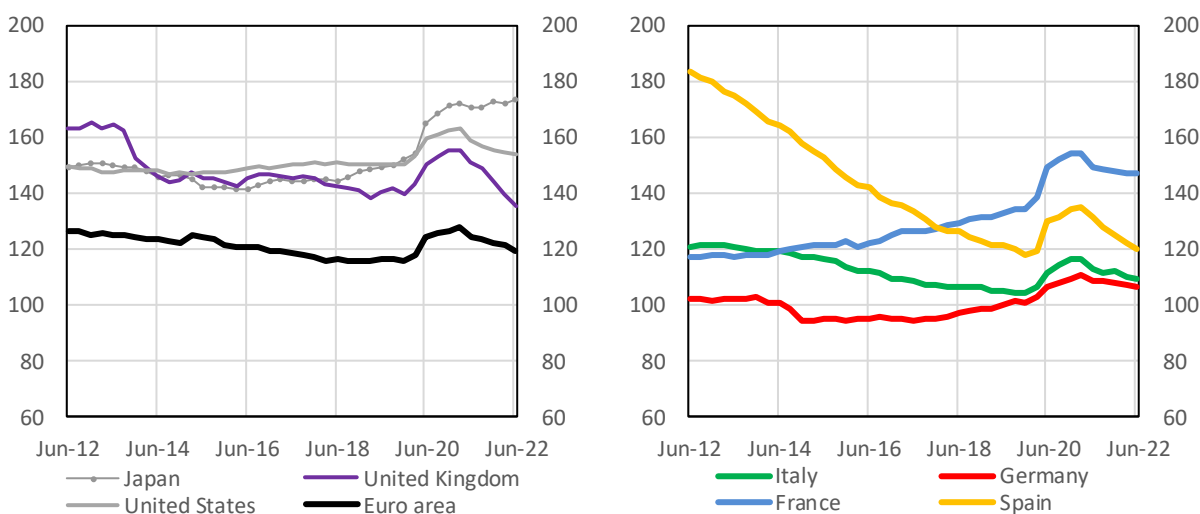
In the second quarter of 2022, the non-financial private sector debt ratio reaches 119.6 % of GDP in the euro area, 1.6 point down compared to the previous quarter (after - 1.3 point in 2022 Q1). This decrease in the debt ratios of non-financial corporations and households is due to nominal GDP growth, even though nominal debt continues to increase (cf. breakdowns p4).

The private debt ratio declines more in Spain (- 1.9 point in 2022 Q2), than in Italy and in Germany (- 0.8 point). The French ratio is stable (nominal debt continues to rise but is outweighed by the increase of nominal GDP). It stands at 147.2 % of GDP and remains the largest one among the main euro area economies, both for non-financial corporations and for households.

Outside the euro area, the non-financial private sector debt ratio decreases more in the United Kingdom (- 4.1 points in 2022 Q2) than in the United States (- 0.8 point). It increases in Japan (+ 1.2 point of GDP). In these three countries, it remains significantly higher than in the euro area.

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

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
United States	158,7	157,1	155,7	154,7	153,9
Japan	170,4	170,6	173,0	172,2	173,4
Euro area	124,6	123,4	122,5	121,2	119,6
o/w Germany	108,7	108,5	108,1	107,6	106,8
France	149,1	148,5	148,0	147,2	147,2
Italy	113,1	111,5	112,2	110,4	109,6
Spain	131,7	127,9	125,4	122,3	120,4
United Kingdom	151,1	149,2	143,9	139,7	135,6



*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				
	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
United States	106,5	105,4	104,6	103,3	103,0
	124,6	125,3	126,3	130,1	132,2
Japan	68,0	68,2	68,8	68,8	69,0
	115,8	116,1	115,8	114,2	115,0
Euro area	61,0	60,6	59,9	59,2	58,7
	97,1	97,3	97,0	96,7	96,7
o/w Germany	57,0	57,0	56,8	56,2	55,9
	90,1	90,9	91,1	90,7	90,4
France	66,1	66,0	65,6	65,7	65,6
	101,2	101,7	101,7	102,4	102,8
Italy	44,0	43,6	43,5	43,0	42,8
	64,5	64,2	64,4	63,9	63,9
Spain	61,5	59,8	58,4	57,0	56,6
	91,6	90,2	89,3	88,5	89,1
United Kingdom	89,8	88,7	86,5	84,7	83,8
	131,9	131,7	130,2	130,3	130,1

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

	Non-financial corporations debt (in % of GDP)				
	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
United States	52,2	51,7	51,1	51,4	51,0
Japan	102,4	102,5	104,2	103,3	104,5
Euro area	63,6	62,8	62,6	62,0	60,9
o/w Germany	51,7	51,5	51,3	51,4	50,9
France	83,0	82,4	82,4	81,6	81,6
Italy	69,1	67,9	68,7	67,4	66,8
Spain	70,2	68,1	67,0	65,4	63,8
United Kingdom	61,2	60,5	57,4	55,0	51,8

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



General government sector debt ratio (in % of GDP)

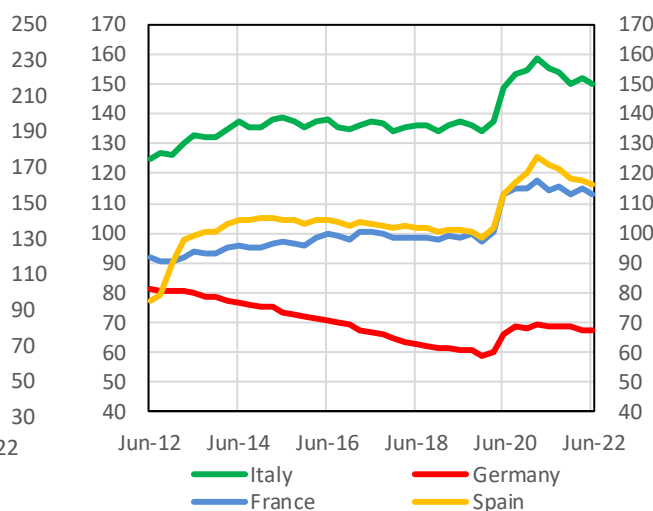
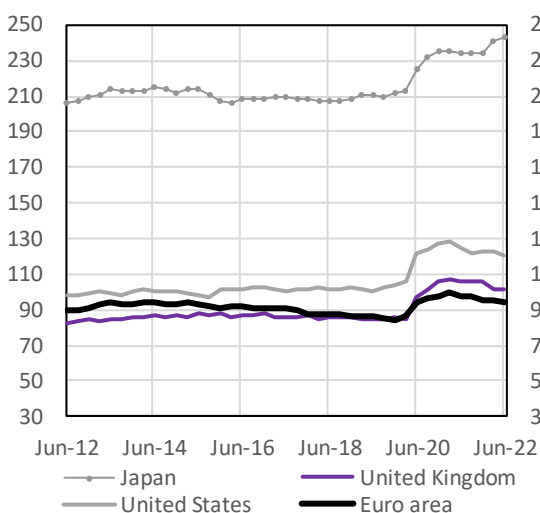
The growth in nominal GDP allows the general government debt ratio in the euro area to decrease by 1 percentage point reaching 94.2% of GDP at the end of the second quarter of 2022. However, debt in the numerator of this ratio continued to increase (cf. breakdowns p4). The public debt ratio declines more significantly in Italy (- 1.9 point of GDP) than in France and in Spain (respectively by - 1.4 and by - 1.3 point). It also decreases in Germany (- 0.2 point in 2022 Q2).

Outside the euro area, the general government debt ratio decreases more in the United States (- 2.6 points in 2022 Q2) than in the United Kingdom (- 0.3 point). It increases in Japan (+ 2.6 points of GDP).

Government sector debt (in % of GDP)

	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
United States	125,1	121,9	122,9	122,8	120,2
Japan	234,3	233,9	234,7	240,7	243,3
Euro area	97,9	97,3	95,4	95,2	94,2
o/w Germany	68,7	68,6	68,6	67,4	67,2
France	114,4	115,6	112,8	114,7	113,3
Italy	155,5	154,2	150,3	152,1	150,2
Spain	123,1	121,9	118,3	117,4	116,1
United Kingdom	106,4	106,0	105,6	101,7	101,4

* "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 change in the ratio of the Households debt ratio (in % points of GDP)

	<i>Change in the ratio</i>	<i>Debt change Effect</i>	<i>Nominal GDP change Effect</i>
United States	-0.3	2.0	-2.4
Japan	0.1	0.4	-0.2
Euro area	-0.5	0.8	-1.2
o/w Germany	-0.3	0.8	-1.0
France	0.0	0.9	-0.9
Italy	-0.2	0.5	-0.7
Spain	-0.4	1.1	-1.4
United Kingdom	-0.9	1.1	-2.0

Breakdown of the change in the ratio of the Non-financial corporations debt ratio (in % points of GDP)

	<i>Change in the ratio</i>	<i>Debt change Effect</i>	<i>Nominal GDP change Effect</i>
United States	-0.4	0.7	-1.2
Japan	1.1	1.5	-0.3
Euro area	-1.2	0.1	-1.3
o/w Germany	-0.6	0.4	-1.0
France	0.0	1.2	-1.2
Italy	-0.5	0.6	-1.1
Spain	-1.6	0.0	-1.6
United Kingdom	-3.2	-2.0	-1.2

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

	<i>Change in the ratio</i>	<i>Debt change Effect</i>	<i>Nominal GDP change Effect</i>
United States	-2.6	0.2	-2.8
Japan	2.5	3.2	-0.7
Euro area	-1.0	1.0	-2.0
o/w Germany	-0.2	1.1	-1.3
France	-1.4	0.2	-1.6
Italy	-1.9	0.7	-2.6
Spain	-1.3	1.7	-3.0
United Kingdom	-0.3	2.1	-2.4

