

16th February 2023

Non-financial sector debt ratios - International comparisons • 2023 Q3

France's debt ratios, both for households and for non-financial corporations, remain the largest ones among the main euro area economies

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

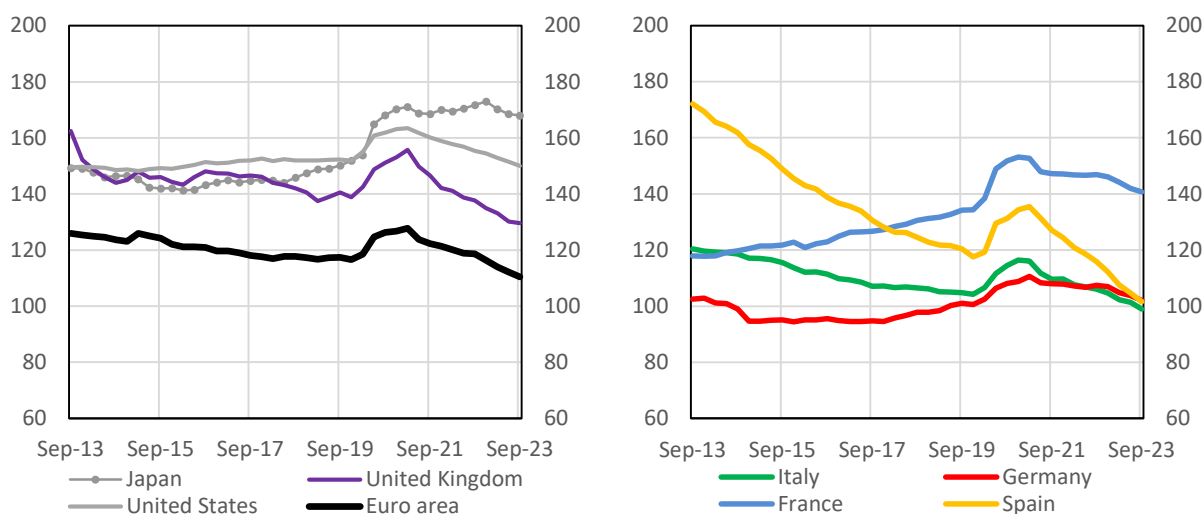
In the third quarter of 2023, the non-financial private sector debt ratio falls again compared with the previous quarter, due to GDP growth at nominal value in the four areas (USA, Japan, euro area and UK).

In the euro area, compared to the previous quarter, the private debt ratio declines more in Spain (-3.1 pp) than in Italy (-2.4 pp) and Germany (-1.8 pp) which are converging at around 100%. The French ratio also falls by 1.1 percentage points and stands at 140.8% of GDP, a level that remains the largest one among the main euro area economies, both for households and for non-financial corporations (62.8% and 78% respectively).

The net debt of French non-financial corporations, i.e. gross debt less the treasury in the asset side, is also higher than in the largest European countries: 39.4% in France compared to 33.9% in Italy, 30.8% in Germany and 28.8% in Spain (28.2% on average in the euro area).

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

	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
United States	155,4	154,5	152,9	151,6	150,0
Japan	171,7	173,0	170,2	168,6	168,0
Euro area	118,7	116,4	113,9	112,2	110,5
o/w Germany	107,4	106,9	104,8	103,8	102,0
France	146,8	146,1	144,1	141,9	140,8
Italy	106,0	104,7	102,3	101,4	99,0
Spain	115,9	112,2	107,5	104,7	101,6
United Kingdom	137,7	135,0	133,1	130,1	129,6





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

	Households debt				
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
United States	103,5	103,0	101,6	100,8	99,9
	135,8	136,2	134,1	132,5	131,2
Japan	67,9	68,1	67,5	66,9	66,2
	115,8	116,2	116,2	116,1	117,0
Euro area	57,9	57,1	56,0	55,3	54,5
	95,5	94,0	92,0	90,4	89,1
o/w Germany	55,6	55,0	54,1	53,4	52,8
	89,9	88,5	86,9	85,6	84,9
France	65,4	65,1	64,7	63,6	62,8
	102,0	101,0	99,8	97,8	96,3
Italy	41,4	40,9	40,1	39,6	39,0
	63,0	62,1	60,8	60,1	59,3
Spain	53,7	52,3	50,4	49,9	48,0
	86,3	84,6	81,6	79,9	76,5
United Kingdom	83,8	82,9	81,4	80,1	79,7
	131,8	129,5	126,9	124,1	122,7

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

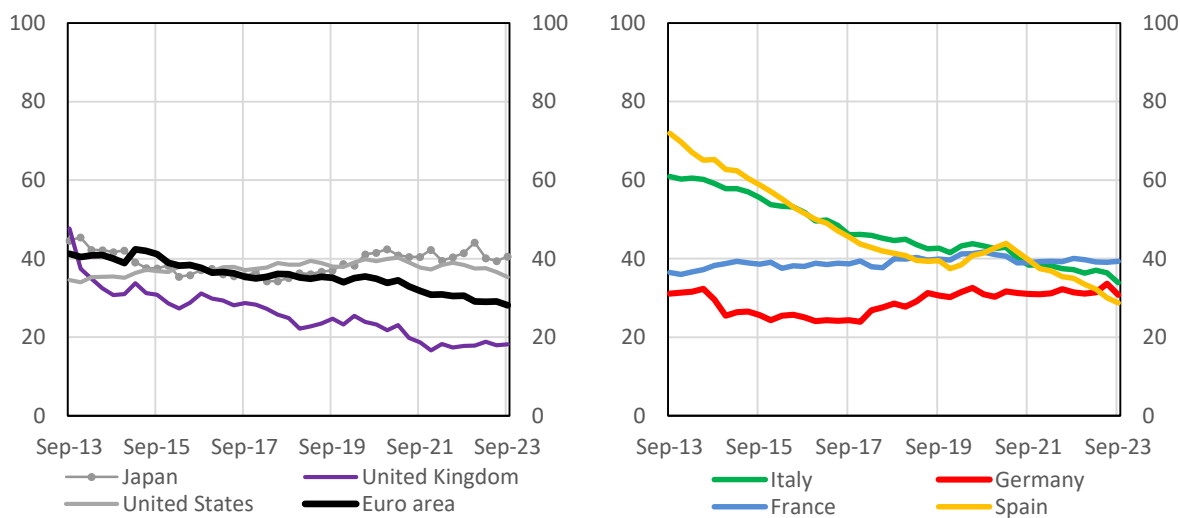
	Non-financial corporations debt (in % of GDP)				
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
United States	52,0	51,5	51,3	50,7	50,1
Japan	103,9	104,9	102,7	101,7	101,8
Euro area	60,8	59,3	58,0	56,9	56,0
	51,9	52,0	50,8	50,4	49,2
France	81,4	81,0	79,5	78,3	78,0
Italy	64,6	63,8	62,2	61,8	60,0
Spain	62,2	60,0	57,1	54,8	53,6
United Kingdom	54,0	52,1	51,7	50,1	49,9

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



Net cash debt ratio of non-financial corporations (in % of GDP)

	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
United States	38,4	37,5	37,6	36,6	35,3
Japan	41,5	44,1	40,1	39,4	40,5
Euro area	30,6	29,1	29,0	29,1	28,2
o/w Germany	31,4	31,1	31,5	33,6	30,8
France	40,1	39,7	39,2	39,1	39,4
Italy	37,2	36,3	37,0	36,4	33,9
Spain	35,0	33,5	32,2	30,0	28,8
United Kingdom	17,8	17,8	18,8	17,9	18,2





General government sector debt ratio (in % of GDP)

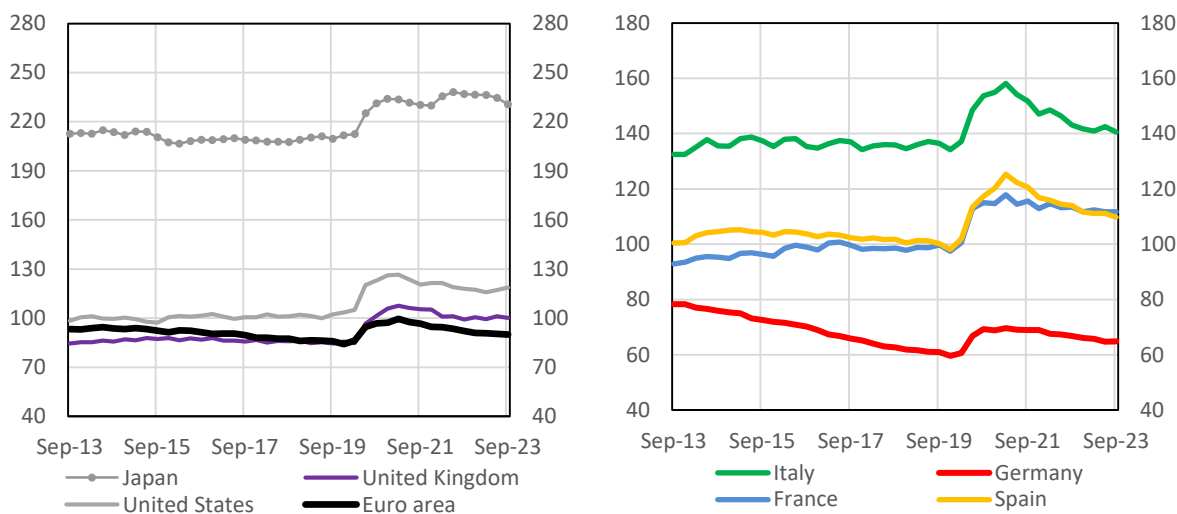
In the euro area, the general government debt ratio decreases by 0.4 percentage points compared to the previous quarter due to nominal GDP growth in the denominator. It stands at 89.9% of GDP in 2023 Q3. However, debt in the numerator of this ratio continues to increase (cf. breakdowns p5). This debt ratio falls more in Italy (-1.9 pp) than in Spain (-1.4 pp) and increases slightly in Germany (+0.1 pp). It is stable in France (111.7%), with the stock of public debt and GDP evolving at a similar pace.

Outside the euro area, the public debt ratio decreases in the United Kingdom (-1.1 pp) and more sharply in Japan (-3.9 pp). By contrast, it rises in the United States (+1.5 pp).

Government sector debt (in % of GDP)

	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
United States	118,0	117,3	115,8	117,2	118,7
Japan	236,9	236,5	236,3	234,6	230,7
Euro area	92,2	90,9	90,7	90,3	89,9
o/w Germany	66,8	66,1	65,7	64,7	64,8
France	113,4	111,8	112,4	111,7	111,7
Italy	143,1	141,7	140,9	142,5	140,6
Spain	114,0	111,6	111,2	111,2	109,8
United Kingdom	99,2	100,4	99,4	101,2	100,0

* "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 by deducting loans assets, which mainly covers 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	-0.9	0.6	-1.5
Japan	-0.7	0.4	-1.1
Euro area	-0.8	0.0	-0.8
o/w Germany	-0.6	0.2	-0.8
France	-0.9	0.0	-0.9
Italy	-0.5	-0.1	-0.4
Spain	-1.9	-1.1	-0.9
United Kingdom	-0.4	1.0	-1.4

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	-0.7	0.1	-0.8
Japan	0.1	1.7	-1.6
Euro area	-0.9	-0.1	-0.8
o/w Germany	-1.2	-0.5	-0.7
France	-0.3	0.8	-1.1
Italy	-1.9	-1.2	-0.7
Spain	-1.2	-0.3	-1.0
United Kingdom	-0.1	0.8	-0.9

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	1.5	3.3	-1.8
Japan	-3.9	-0.2	-3.7
Euro area	-0.4	0.8	-1.2
o/w Germany	0.1	1.1	-1.0
France	0.0	1.5	-1.5
Italy	-1.9	-0.2	-1.7
Spain	-1.4	0.6	-2.0
United Kingdom	-1.1	0.7	-1.8

