

26 May 2021

Non-financial sector debt ratios - International comparisons • 2020 Q4

In 2020, the private sector debt ratio rises sharply in the euro area

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

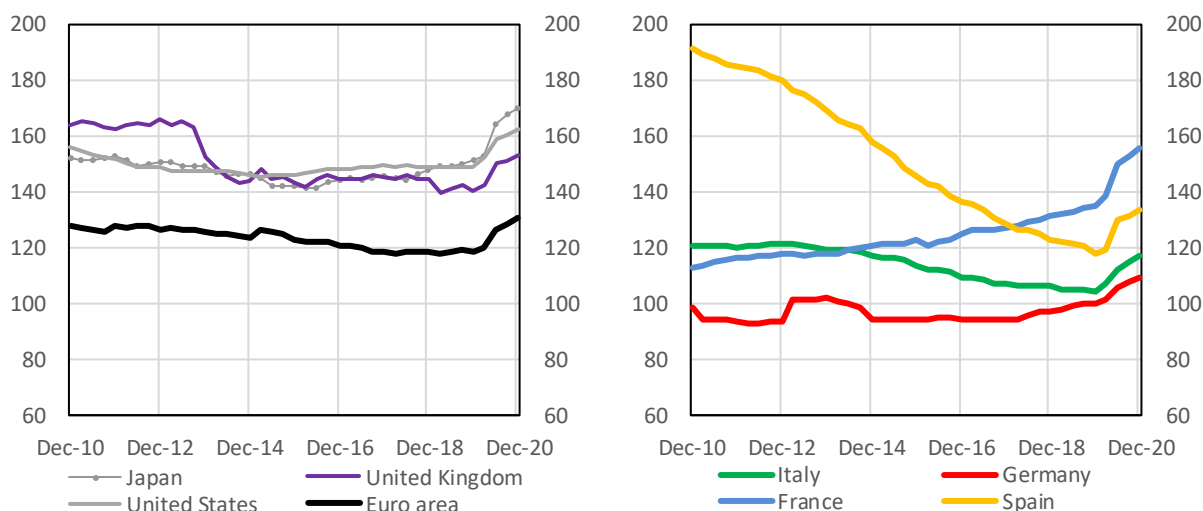
At the end of 2020, the non-financial private sector (NFPS) debt ratio stands at 130.6 % of GDP in the euro zone, a sharp increase of 12.1 points compared to the end of 2019. Over the year, the increase is very marked in France (+ 21.2 points) in particular because of the rise of the non-financial corporations' ratio related in particular to the PGE and the households' one (respectively by 14.2 points and by 7 points). The private debt ratio also increases in Spain (+ 15.7 points) and in Italy (+ 12.7 points), while the increase is comparatively more moderate in Germany (+ 9.6 points in 2020).

Outside the euro zone, dynamics are similar with the non-financial private sector debt ratio that increases more in Japan (+ 18.5 points of GDP year-on-year) than in the United States and in the United Kingdom (respectively by + 13.7 and by + 12.6 points).

However, these increases in the debt ratio must be balanced. On the one hand, they result from the sharp falls in GDP in 2020, which are likely to be resorbed later (cf. additional information for the effect in the fourth quarter). On the other hand, these are gross debts reflecting in particular the strong public support. They do not take into account the unusually high increases on the treasury in the asset side of the non-financial corporations and the households. In France, corporate debt net of treasury has remained almost stable.

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

	Dec-18	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
United States	148,9	149,1	152,5	158,8	160,6	162,8
Japan	148,0	151,3	153,2	164,2	167,7	169,8
Euro area	118,5	118,5	120,4	126,8	128,7	130,6
o/w Germany	97,5	100,0	101,9	106,0	108,1	109,6
France	131,2	134,8	138,8	149,8	152,6	156,0
Italy	106,3	104,6	106,9	112,4	115,2	117,3
Spain	122,9	118,0	119,7	129,9	131,2	133,7
United Kingdom	144,5	140,7	142,5	150,0	151,3	153,3



*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					
	Dec-18	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
United States	102,4	102,2	102,7	106,1	108,2	109,9
	130,6	130,7	131,0	128,2	127,6	127,6
Japan	59,3	60,3	60,7	62,9	64,3	65,2
	101,8	104,3	104,9	118,2	119,4	125,4
Euro area	57,5	57,8	58,1	60,5	61,6	62,7
	94,6	95,1	94,9	96,1	96,8	97,5
o/w Germany	53,4	54,3	54,7	56,4	57,7	58,8
	85,8	87,0	87,2	88,0	89,1	90,0
France	59,5	61,4	62,5	65,5	66,9	68,4
	94,8	97,6	98,3	99,4	100,5	101,4
Italy	40,8	41,2	41,6	43,6	44,4	45,3
	61,3	62,1	62,1	63,4	64,0	64,8
Spain	58,9	56,9	57,1	60,7	61,1	62,5
	95,3	92,7	91,9	94,0	93,5	94,8
United Kingdom	84,9	83,8	84,5	87,2	88,6	90,1
	126,2	125,0	125,4	125,8	125,9	126,8

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

	Non-financial corporations debt (in % of GDP)					
	Dec-18	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
United States	46,5	46,9	49,8	52,7	52,4	52,9
Japan	88,7	91,1	92,5	101,3	103,4	104,6
Euro area	61,0	60,7	62,2	66,3	67,1	67,9
o/w Germany	44,1	45,7	47,2	49,6	50,5	50,7
France	71,8	73,3	76,3	84,3	85,7	87,6
Italy	65,5	63,4	65,3	68,8	70,8	72,0
Spain	63,9	61,1	62,7	69,2	70,1	71,1
United Kingdom	59,6	57,0	58,0	62,8	62,7	63,2

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



General government sector debt ratio (in % of GDP)

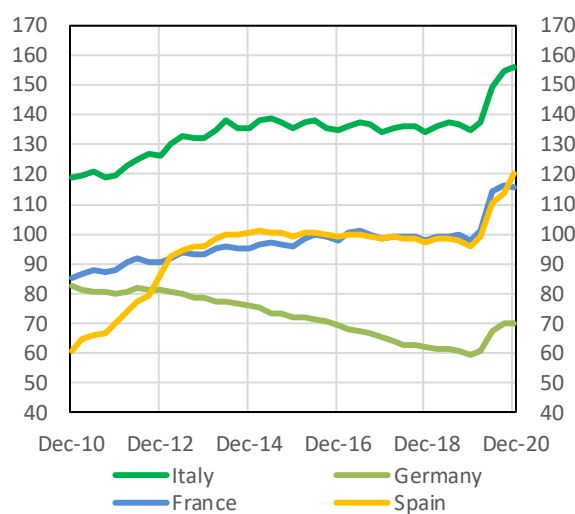
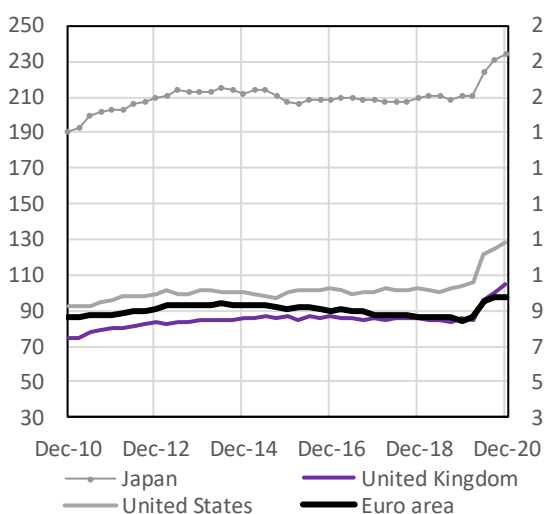
In the euro zone, the general government debt ratio increases by + 14.1 points in 2020 and reaches 98.1% of GDP at the end of the year, because of the financing of governmental action implemented to respond to the pandemic. The public debt ratio increases by 10.1 points of GDP over the year in Germany, more significantly in France (+18.1 points in 2020) and more markedly in Italy and in Spain (respectively +21.2 and +24.5 points).

In 2020, the government debt ratio rises more in the United States and in Japan (respectively by 24.7 points and by 23.9 points) than in the United Kingdom (+ 19.2 points of GDP over the year).

Government sector debt (in % of GDP)

	Dec-18	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20
United States	102,1	103,7	105,5	121,4	124,6	128,4
Japan	209,0	210,3	211,2	224,3	230,8	234,2
Euro area	85,8	84,0	86,2	95,0	97,3	98,1
o/w Germany	61,8	59,7	60,9	67,3	70,0	69,8
France	98,0	97,6	101,4	114,0	116,4	115,7
Italy	134,4	134,6	137,8	149,5	154,5	155,8
Spain	97,4	95,5	99,1	110,2	114,0	120,0
United Kingdom	85,8	85,3	84,4	96,2	100,5	104,5

* "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	1.7	1.4	0.3
Japan	0.9	0.7	0.2
Euro area	1.1	0.5	0.6
o/w Germany	1.2	0.8	0.4
France	1.5	0.9	0.6
Italy	0.9	0.2	0.6
Spain	1.4	0.0	1.4
United Kingdom	1.5	0.8	0.7

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	0.4	0.3	0.2
Japan	1.2	0.9	0.3
Euro area	0.8	0.1	0.7
o/w Germany	0.3	-0.1	0.3
France	1.9	1.2	0.8
Italy	1.3	0.3	1.0
Spain	1.0	-0.6	1.6
United Kingdom	0.5	0.0	0.5

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	3.8	3.5	0.4
Japan	3.3	2.6	0.7
Euro area	0.9	0.0	1.0
o/w Germany	-0.1	-0.6	0.5
France	0.0	-1.0	1.0
Italy	1.4	-0.7	2.1
Spain	6.0	3.3	2.7
United Kingdom	3.9	3.1	0.8