

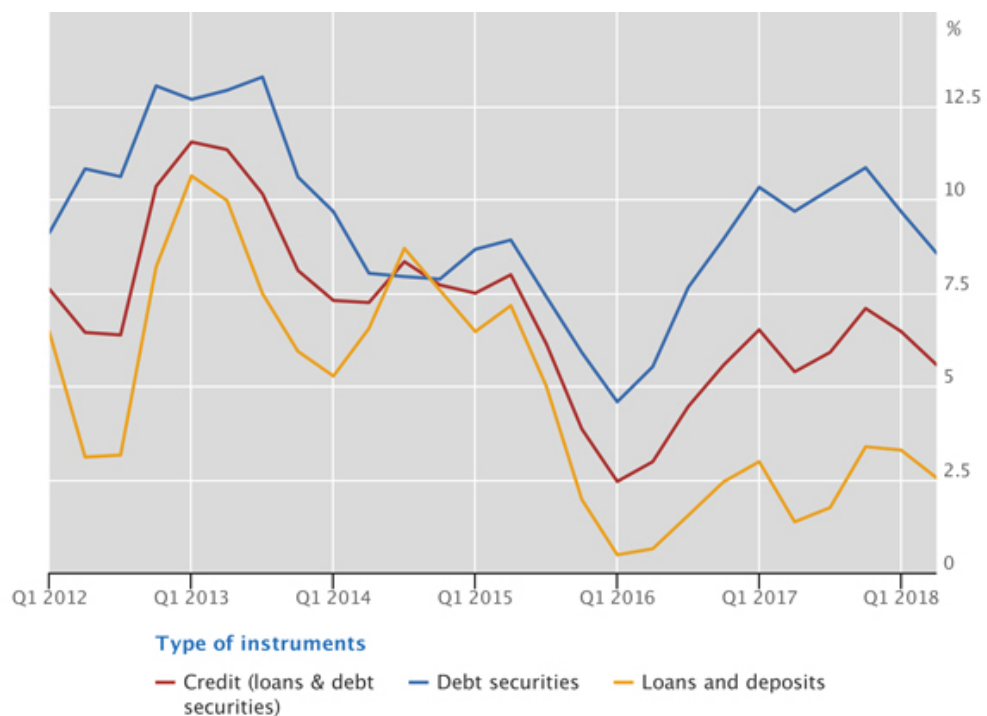


25 October 2018

Statistical release: BIS global liquidity indicators at end-June 2018

- US dollar credit to non-bank borrowers outside the United States rose to nearly [\\$11.5 trillion](#) at end-June 2018, up by [6%](#) over the previous year, with debt securities continuing to grow much faster than loans: by 8.5% compared with 2.5%.
- Euro-denominated credit to non-bank borrowers outside the euro area also increased rapidly ([7%](#) year on year), reaching [€3.1 trillion](#) (equivalent to \$3.7 trillion) at end-June 2018.
- US dollar credit to non-bank borrowers in emerging market and developing economies (EMDEs) rose to [\\$3.7 trillion](#) at end-June 2018. Its annual growth ([7%](#)) continued to be driven by debt securities, which expanded by [14%](#) year on year.

US dollar credit expansion led by growth in debt securities



Source: BIS

Graph 1: Annual percentage change in US dollar-denominated credit to non-bank borrowers outside the United States ([interactive graph](#)).

Source: BIS global liquidity indicators (Table [E2.1](#)).

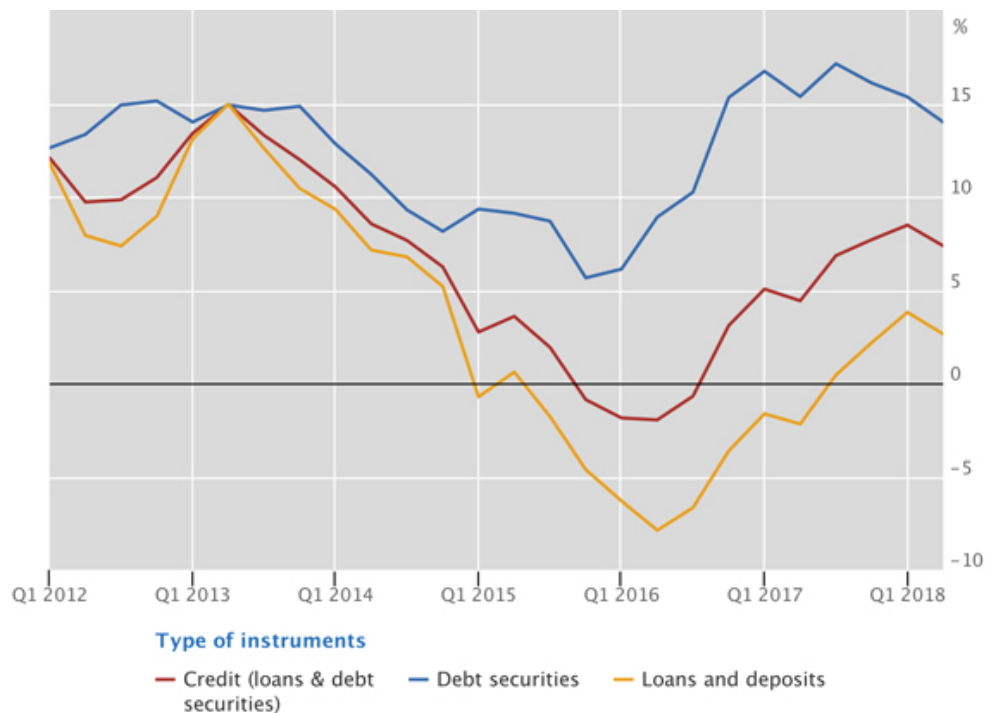
US dollar credit to non-bank borrowers outside the United States rose to nearly [\\$11.5 trillion](#) at end-June 2018, up by 6% over the previous year (Graph 1, red line). The growth was largely due to debt securities, which expanded at an annual rate of 8.5% (blue line) to stand at \$6 trillion. Loans increased more slowly, at 2.5% (yellow line), to reach [\\$5.5 trillion](#). Notably, the share of US dollar-denominated credit in the form

of debt securities has risen substantially recently, from 48% at end-2015 to 52% at end-June 2018.

The above estimates of US dollar credit do not include borrowing through [foreign exchange swaps and forwards](#), which create debt-like obligations. Such borrowing is similar in size to, and probably exceeds, borrowing through loans and debt securities.

Euro-denominated credit to non-bank borrowers outside the euro area grew at an annual rate of [7%](#), rising to over [€3.1 trillion](#) (\$3.7 trillion) at end-June 2018. This was driven by both bank loans (8%) and debt securities (6%).

US dollar credit to EMDEs remained strong



Graph 2: Annual percentage change in US dollar-denominated credit to non-banks in EMDEs ([interactive graph](#)).

Source: BIS global liquidity indicators (Table [E2.1](#)).

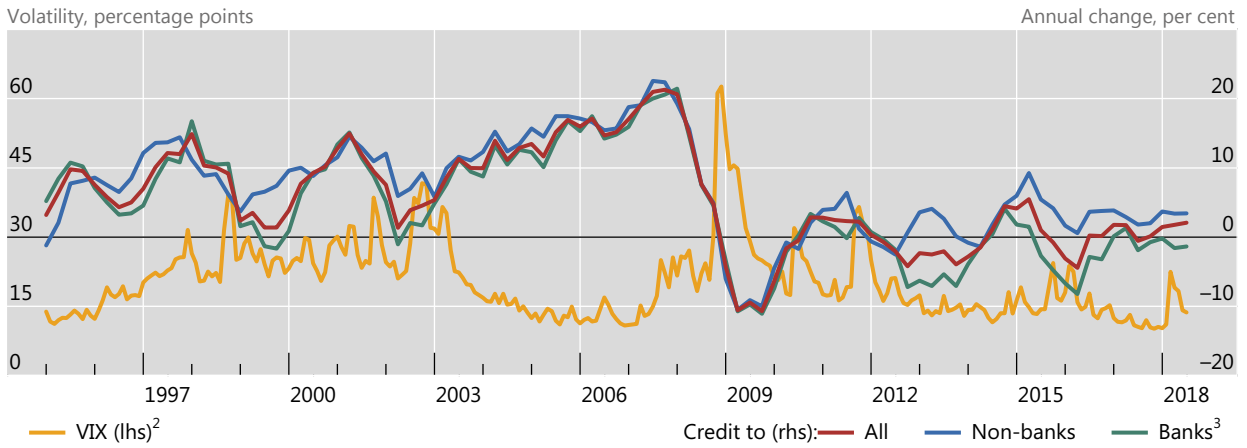
US dollar credit to EMDEs continued to grow rapidly, up by 7% (Graph 2, red line) in the year to end-June 2018, taking the outstanding stock to [\\$3.7 trillion](#). The expansion continued to be propelled by strong issuance of dollar-denominated debt securities, which grew at an annual pace of 14% (blue line). As of end-June 2018, [44%](#) of outstanding dollar credit to EMDEs was in the form of debt securities, up from 35% at end-2015.

While as of end-June 2018 outstanding euro-denominated credit to EMDEs ([€661 billion](#), or \$771 billion) remained much smaller than dollar credit, it grew at a rapid annual pace of [11%](#). The growth rate of euro credit to EMDEs has exceeded that of dollar credit since late 2014. Euro credit to emerging Asia recorded the most rapid expansion among EMDE regions in the year to end-June 2018. Still, over 50% of the outstanding euro credit to EMDEs as of end-June 2018 was to borrowers in emerging Europe.

Annex: Charts

Growth of international bank credit¹

Graph A1



Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/about_gli_stats.htm.

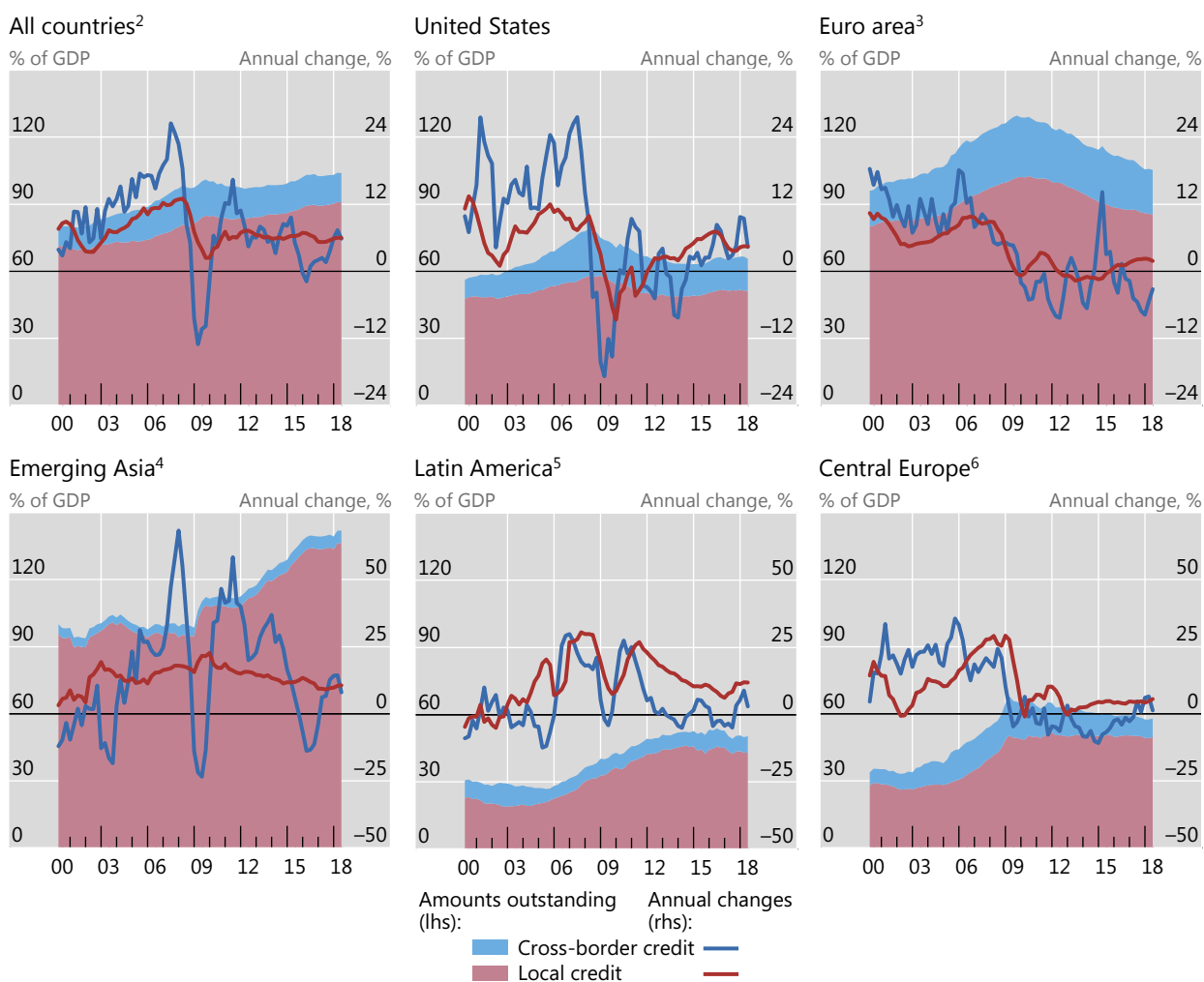
¹ LBS-reporting banks' cross-border claims plus local claims in foreign currencies. ² Chicago Board Options Exchange S&P 500 implied volatility index; standard deviation, in percentage points per annum. ³ Including intragroup transactions.

Sources: Bloomberg; BIS locational banking statistics (LBS).

Global bank credit to the private non-financial sector, by residence of borrower

Banks' cross-border credit plus local credit in all currencies¹

Graph A2



Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/about_gli_stats.htm.

¹ Cross-border claims of LBS-reporting banks to the non-bank sector plus local claims of all banks to the private non-financial sector. Weighted averages of the economies listed, based on four-quarter moving sums of GDP. ² Australia, Canada, Denmark, Japan, New Zealand, Norway, Russia, Saudi Arabia, South Africa, Sweden, Switzerland, Turkey and the United Kingdom, plus the countries in the other panels. ³ Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Portugal and Spain. ⁴ China, Hong Kong SAR, India, Indonesia, Korea, Malaysia, Singapore and Thailand. ⁵ Argentina, Brazil, Chile and Mexico. ⁶ The Czech Republic, Hungary and Poland.

Sources: BIS statistics on credit to the non-financial sector; BIS locational banking statistics (LBS); BIS calculations.

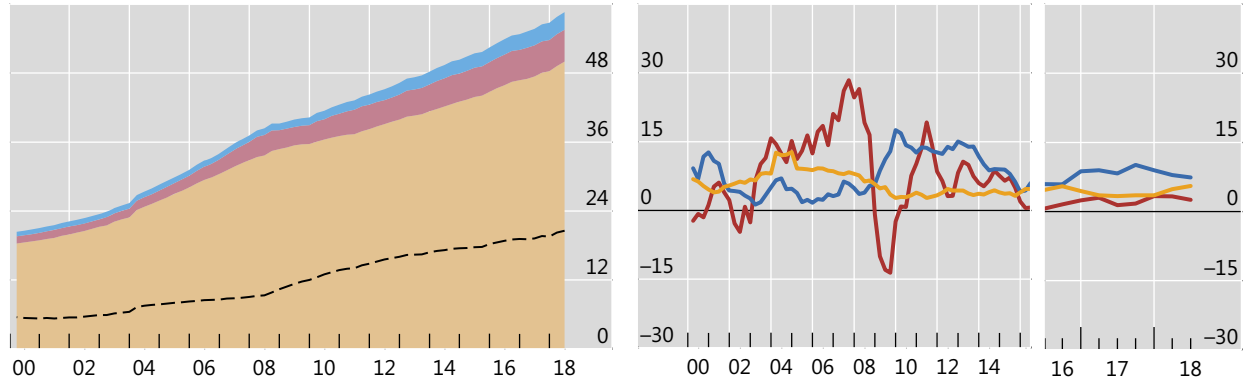
Global credit to the non-financial sector, by currency

Graph A3

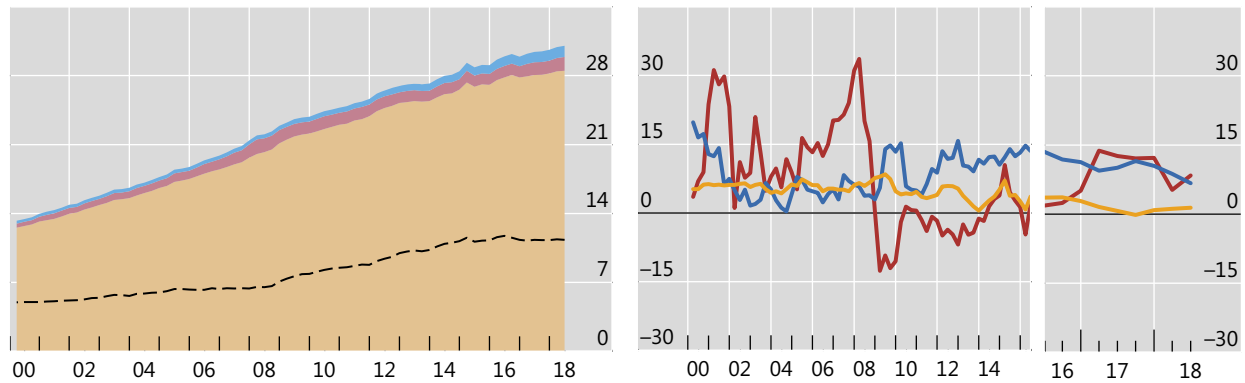
Amounts outstanding, in trillions of currency units¹

Annual change, in per cent²

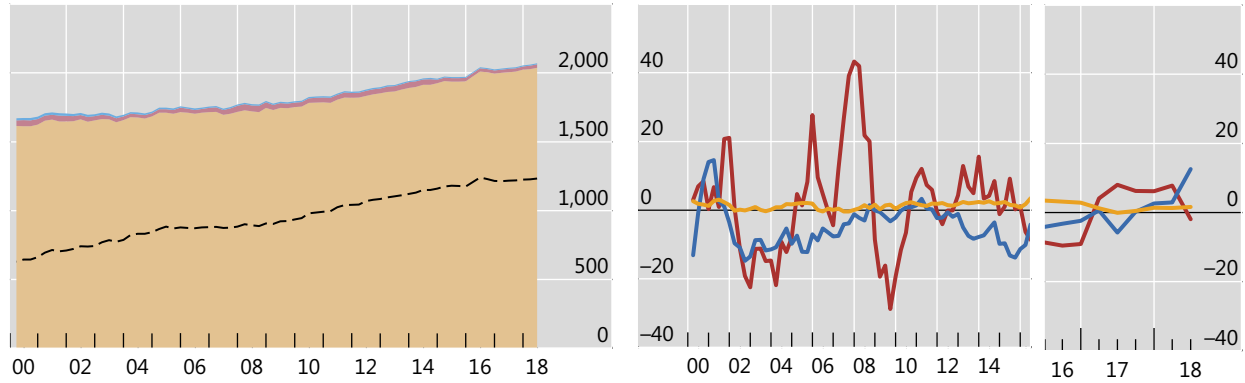
Credit denominated in US dollars



Credit denominated in euros



Credit denominated in yen



■ Credit to residents³ ■ Credit to non-residents:
■ Of which: ■ Debt securities⁴
--- Credit to government ■ Loans⁵

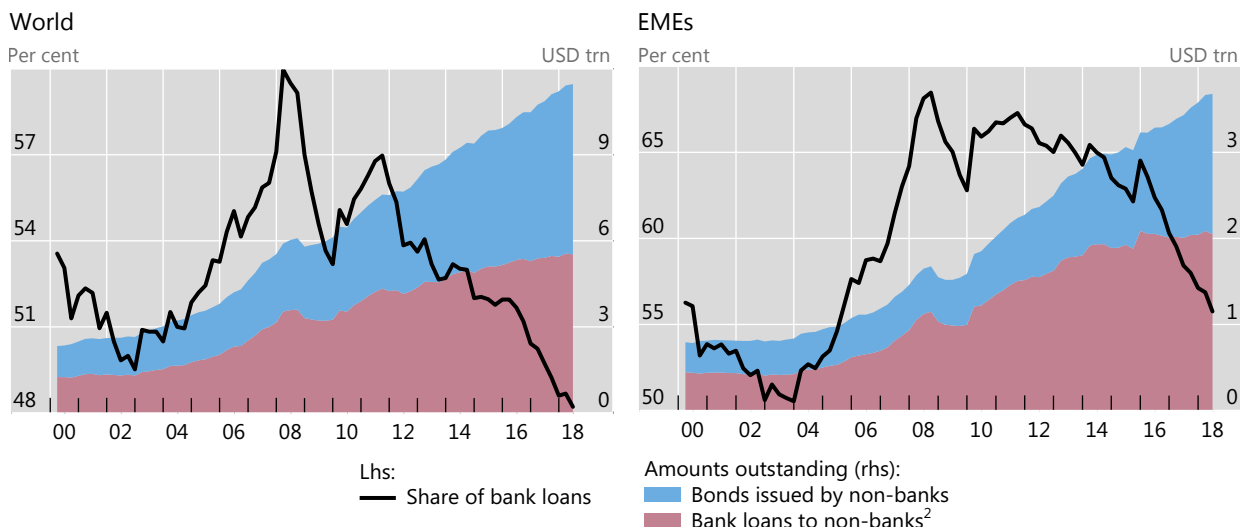
Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/about_gli_stats.htm.

¹ Amounts outstanding at quarter-end. ² Based on quarterly break- and exchange rate-adjusted changes. ³ Credit to non-financial borrowers residing in the United States/euro area/Japan. National financial accounts are adjusted using BIS banking and securities statistics to exclude credit denominated in non-local currencies. ⁴ Excluding debt securities issued by special purpose vehicles and other financial entities controlled by non-financial parents. Euro-denominated debt securities exclude those issued by institutions of the European Union. ⁵ Loans by LBS-reporting banks to non-bank borrowers, including non-bank financial entities, comprise cross-border plus local loans.

Sources: Datastream; Dealogic; Euroclear; Thomson Reuters; Xtrakter Ltd; national data; BIS locational banking statistics (LBS); BIS calculations.

US dollar-denominated credit to non-banks outside the United States¹

Graph A4



Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/gli.htm.

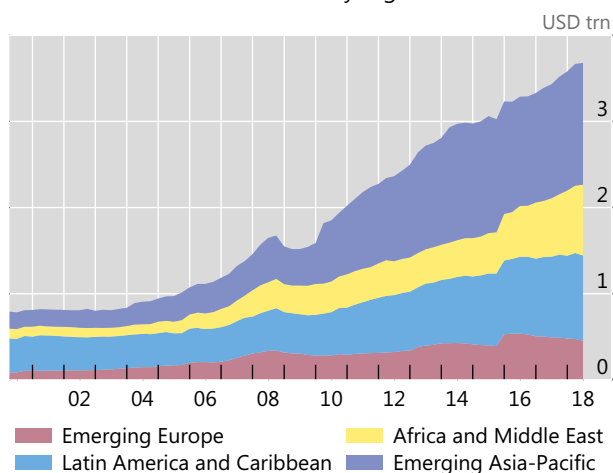
¹ Non-banks comprise non-bank financial entities, non-financial corporations, governments, households and international organisations. ² Loans by LBS-reporting banks to non-bank borrowers, including non-bank financial entities, comprise cross-border plus local loans.

Sources: Datastream; Dealogic; Euroclear; Thomson Reuters; Xtrakter Ltd; national data; BIS locational banking statistics (LBS); BIS calculations.

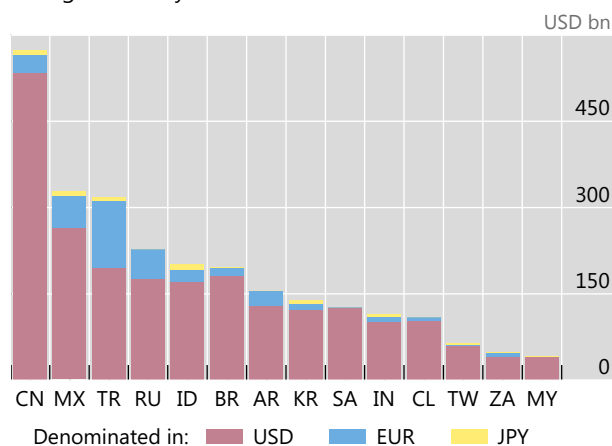
Foreign currency credit to non-banks in EMEs

Graph A5

US dollar-denominated credit by region



Foreign currency credit to selected EMEs¹



Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/about_gli_stats.htm.

¹ Amounts outstanding for the latest available data.

Sources: Datastream; Dealogic; Euroclear; Thomson Reuters; Xtrakter Ltd; national data; BIS locational banking statistics; BIS calculations.