Statistical release: BIS global liquidity indicators at end-June 2019

- US dollar credit to non-bank borrowers outside the United States grew by 4% year on year at end-June 2019, to reach $11.9 trillion.
- Foreign currency credit denominated in euros and Japanese yen continued to expand at a faster pace than that in US dollars, growing at annual rates of 9% and 8%, respectively.
- US dollar credit to emerging market and developing economies (EMDEs) grew at an annual rate of 2% (to reach $3.7 trillion), though growth varied substantially across regions.

Foreign currency euro and yen credit continued to expand rapidly

Graph 1: Annual growth of foreign currency-denominated credit to non-resident non-banks (interactive graph), in per cent.
Source: BIS global liquidity indicators (Tables E2.1, E2.2 and E2.3).

US dollar credit to non-bank borrowers outside the United States grew by 4% year on year (Graph 1, red line) to reach $11.9 trillion at end-June 2019. This represents a slight acceleration relative to the 3% annual growth rate observed at end-2018.

The growth rates of the two main components of foreign currency US dollar credit, bank loans and debt securities, continued to move in opposite directions. For most of the post-Great Financial Crisis period, growth in US dollar-denominated debt securities was higher than that of bank loans. However, recently the trend has reversed: the annual growth rate of US dollar bank loans outpaced that of securities for a second quarter in a row (5% for loans versus 3% for debt securities at end-June 2019).

Euro-denominated credit to borrowers outside the euro area grew by 9% year on year (Graph 1, blue line), pushing the outstanding stock to €3.4 trillion (equivalent to $3.8 trillion) at end-June 2019. Meanwhile, the annual growth rate of yen-
denominated credit outside Japan fell slightly, but remained relatively high at 8% (yellow line). This took the outstanding stock to ¥49.4 trillion (equivalent to $0.5 trillion).

US dollar credit to EMDEs diverged across regions

Graph 2: Annual percentage change of US dollar credit to EMDE regions (interactive graph).
Source: BIS global liquidity indicators (Table E2.1).

The annual growth rate of US dollar credit to residents of EMDEs (2% as of end-June 2019) remained considerably lower than its recent (end-March 2018) peak of 8%. US dollar credit to Africa and the Middle East continued to expand at a rapid annual pace (11%; Graph 2, purple line), reaching an outstanding stock of $0.9 trillion at end-June 2019. Meanwhile, US dollar credit to Latin America expanded by 3% year on year (blue line) to reach $1.0 trillion. Within the region, dollar credit to borrowers in Mexico and Chile grew at annual rates of 9% and 8%, respectively. This more than offset the contractions of US dollar credit to Argentina (−4%) and Brazil (−1%).

US dollar credit to borrowers in emerging Europe (Graph 2, yellow line) shrank by 9% year on year (to $0.4 trillion), extending the contraction that started in 2014. The latest annual decline was led by a 14% drop in lending to borrowers in Russia. Credit to Asia-Pacific (red line) also contracted, albeit at a slower annual rate (−1%), and stood at $1.4 trillion at end-June 2019. This was mainly driven by credit to non-bank borrowers in China, which declined at an annual rate of 6% at end-June 2019 (compared with +8% at end-2017).
Annex

US dollar credit outside the United States\(^1\)
Annual change, in per cent

Further information on the BIS global liquidity indicators is available at [www.bis.org/statistics/about_gli_stats.htm](http://www.bis.org/statistics/about_gli_stats.htm).

\(^1\) Annual growth of US dollar-denominated credit to non-banks outside the United States. \(^2\) Annual growth of the US dollar nominal effective exchange rate (NEER). An increase indicates an appreciation of the US dollar NEER.

Sources: Datastream; Dealogic; Euroclear; Thomson Reuters; Xtrakter Ltd; national data; BIS locational banking statistics; BIS effective exchange rate statistics; BIS calculations.
Global bank credit to the private non-financial sector, by residence of borrower

Banks’ cross-border credit plus local credit in all currencies

<table>
<thead>
<tr>
<th>All countries</th>
<th>United States</th>
<th>Euro area</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of GDP</td>
<td>% of GDP</td>
<td>% of GDP</td>
</tr>
<tr>
<td>Annual change</td>
<td>Annual change</td>
<td>Annual change</td>
</tr>
</tbody>
</table>

Emerging Asia

Latin America

Central Europe

Further information on the BIS global liquidity indicators is available at [www.bis.org/statistics/about_gli_stats.htm](http://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 units  
Credit denominated in US dollars

Credit denominated in euros

Credit denominated in yen

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 States\(^1\)  

**Graph A4**

<table>
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<tr>
<th>World</th>
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<td>Per cent</td>
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Lhs:  
- Black line: Share of bank loans
- Blue: Bonds issued by non-banks
- Pink: Bank loans to non-banks\(^2\)

Further information on the BIS global liquidity indicators is available at [www.bis.org/statistics/about_gli_stats.htm](http://www.bis.org/statistics/about_gli_stats.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.

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Foreign currency credit to non-banks in EMDEs  

**Graph A5**

<table>
<thead>
<tr>
<th>US dollar-denominated credit by region</th>
<th>Foreign currency credit to selected EMDEs(^1)</th>
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Further information on the BIS global liquidity indicators is available at [www.bis.org/statistics/about_gli_stats.htm](http://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.