

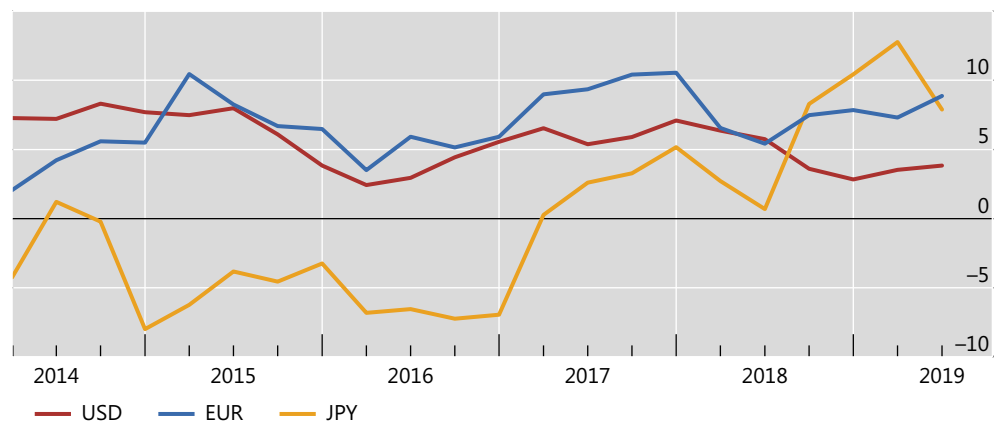


30 October 2019

## 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](#)).

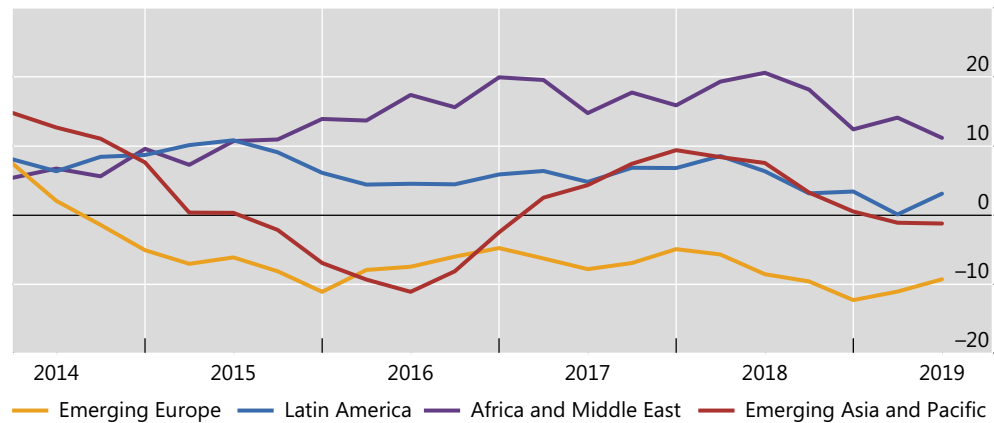
US dollar credit to non-bank borrowers outside the United States grew by 4% year on year (Graph 1, red line) to reach \$11.9 trillion at end-June 2019. This represents a slight acceleration relative to the 3% annual growth rate observed at end-2018.

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%](#)).

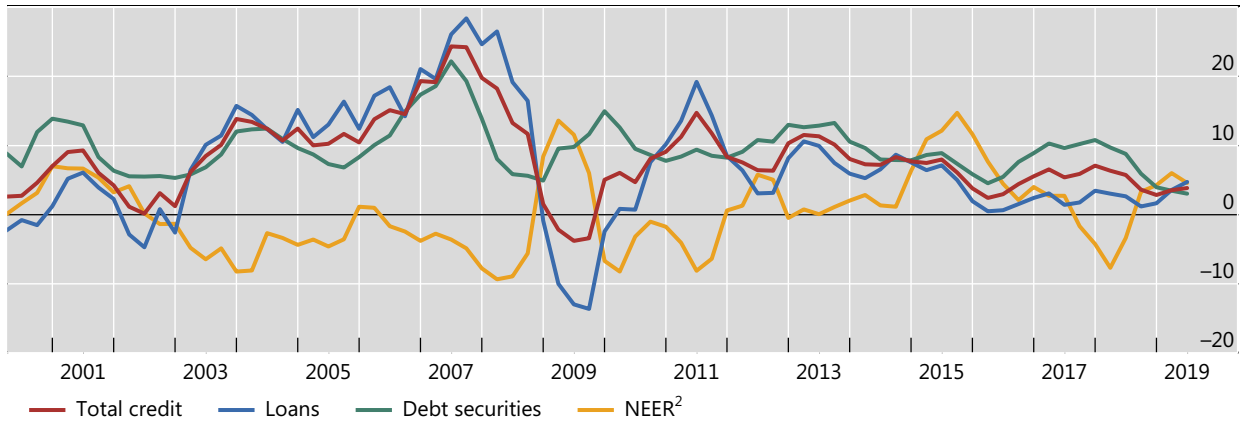
US dollar credit to borrowers in emerging Europe (Graph 2, yellow line) shrank by 9% year on year (to \$0.4 trillion), extending the contraction that started in 2014. The latest annual decline was led by a [14%](#) drop in lending to borrowers in Russia. Credit to Asia-Pacific (red line) also contracted, 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<sup>1</sup>

Annual change, in per cent

Graph A1



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).

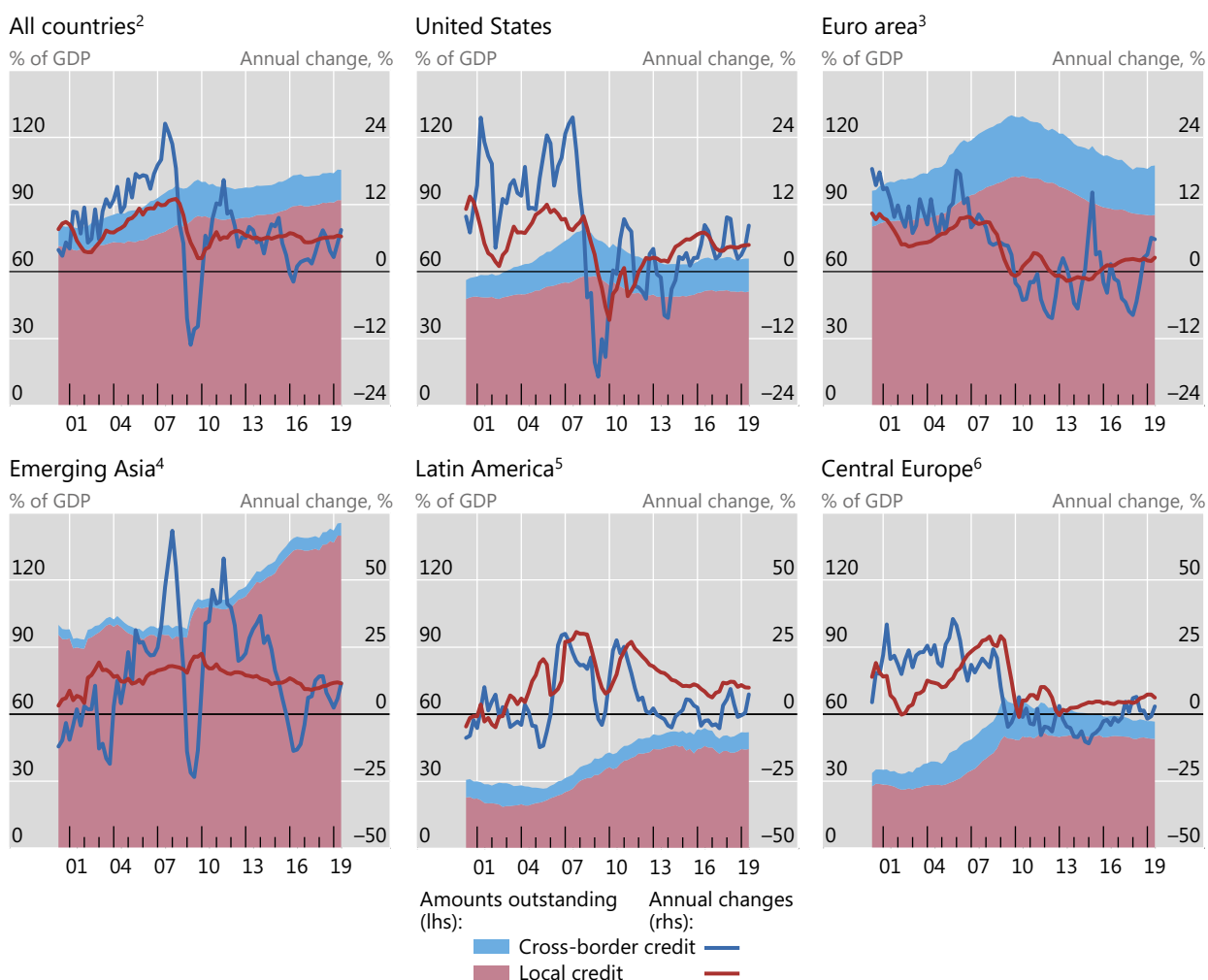
<sup>1</sup> Annual growth of US dollar-denominated credit to non-banks outside the United States. <sup>2</sup> Annual growth of the US dollar nominal effective exchange rate (NEER). An increase indicates an appreciation of the US dollar NEER.

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<sup>1</sup>

Graph A2



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).

<sup>1</sup> 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. <sup>2</sup> 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. <sup>3</sup> Austria, Belgium, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Portugal and Spain. <sup>4</sup> China, Hong Kong SAR, India, Indonesia, Korea, Malaysia, Singapore and Thailand. <sup>5</sup> Argentina, Brazil, Chile and Mexico. <sup>6</sup> The Czech Republic, Hungary and Poland.

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

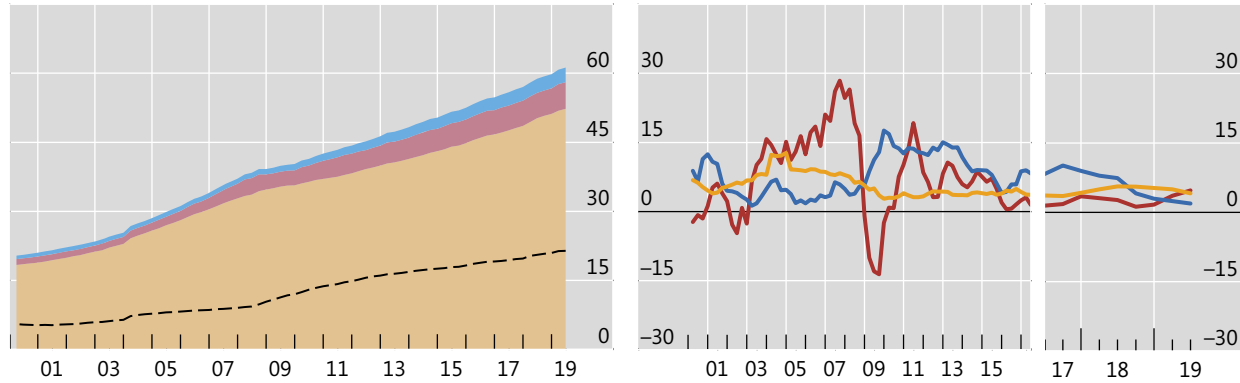
# Global credit to the non-financial sector, by currency

Graph A3

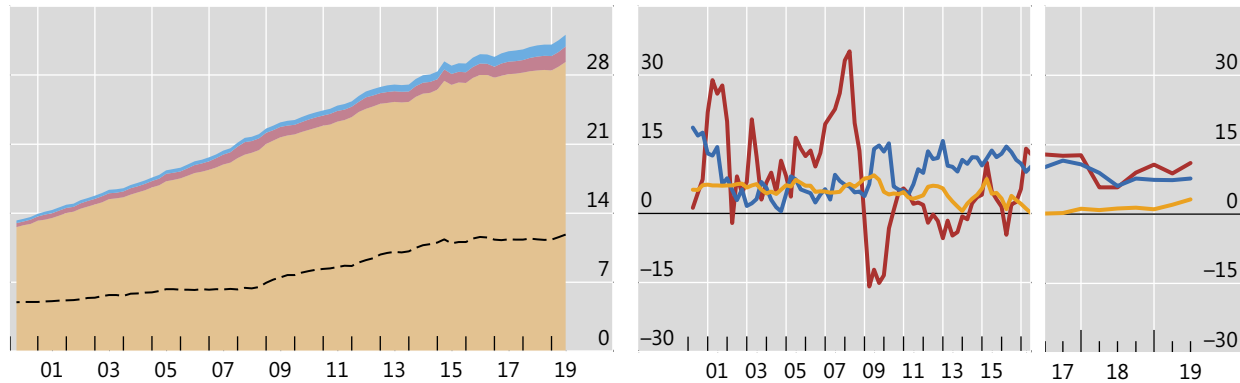
Amounts outstanding, in trillions of currency units<sup>1</sup>

Annual change, in per cent<sup>2</sup>

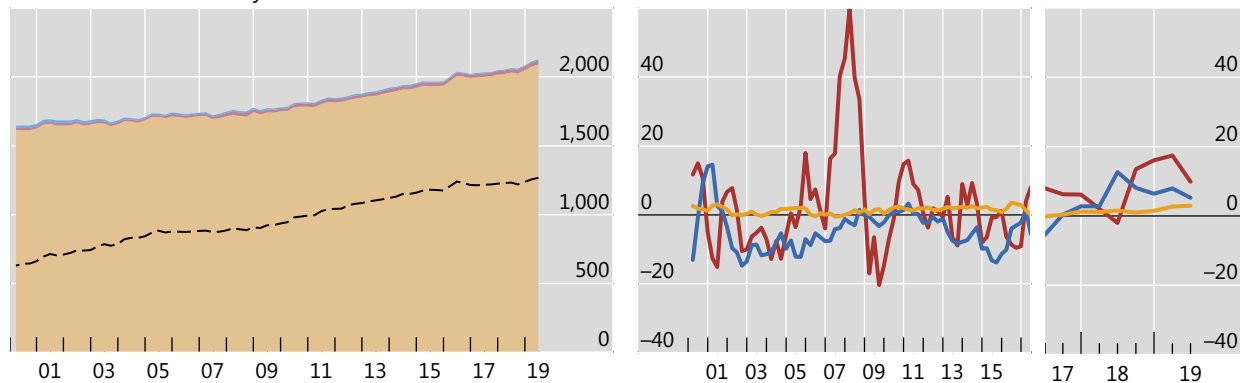
Credit denominated in US dollars



Credit denominated in euros



Credit denominated in yen



Credit to residents<sup>3</sup>
 Credit to non-residents:
   
 Debt securities<sup>4</sup>
  
 Credit to government
   
 Bank loans<sup>5</sup>

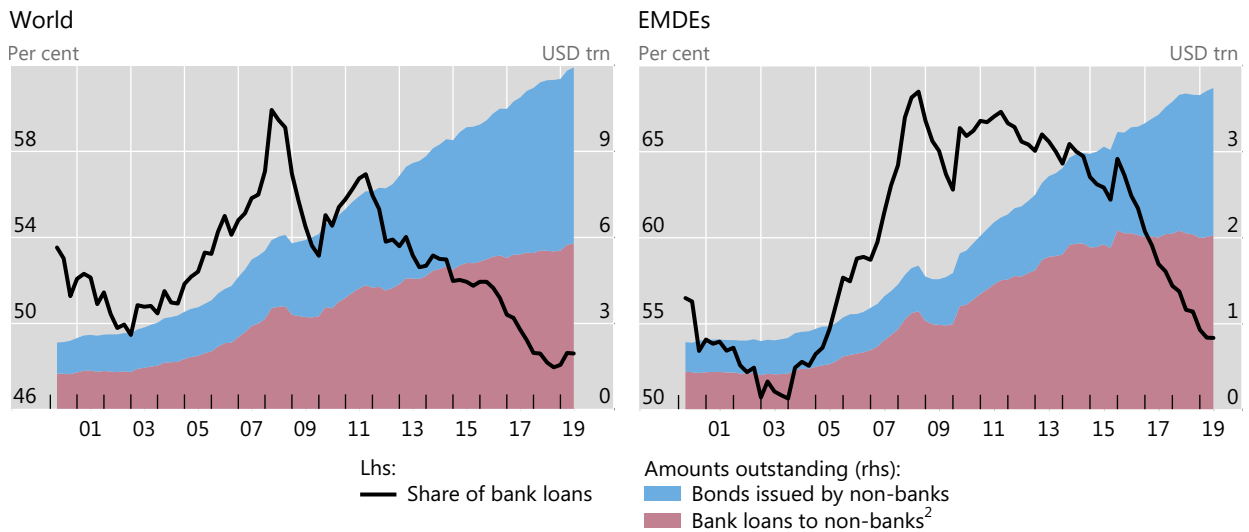
Further information on the BIS global liquidity indicators is available at [www.bis.org/statistics/about\\_gli\\_stats.htm](http://www.bis.org/statistics/about_gli_stats.htm).

<sup>1</sup> Amounts outstanding at quarter-end. <sup>2</sup> Based on quarterly break- and exchange rate-adjusted changes. <sup>3</sup> 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. <sup>4</sup> 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. <sup>5</sup> 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<sup>1</sup>

Graph A4



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).

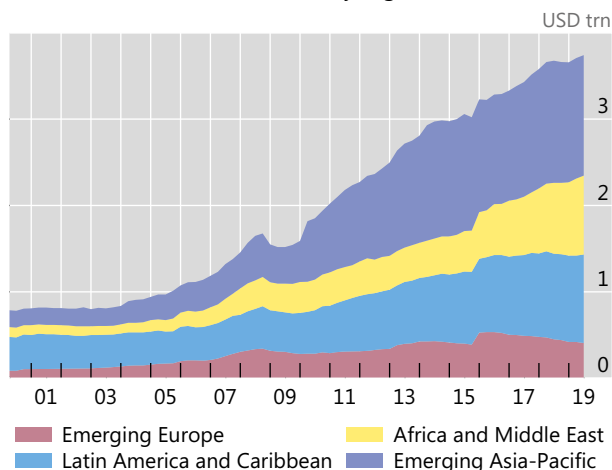
<sup>1</sup> Non-banks comprise non-bank financial entities, non-financial corporations, governments, households and international organisations. <sup>2</sup> Loans by LBS-reporting banks to non-bank borrowers, including non-bank financial entities, comprise cross-border plus local loans.

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

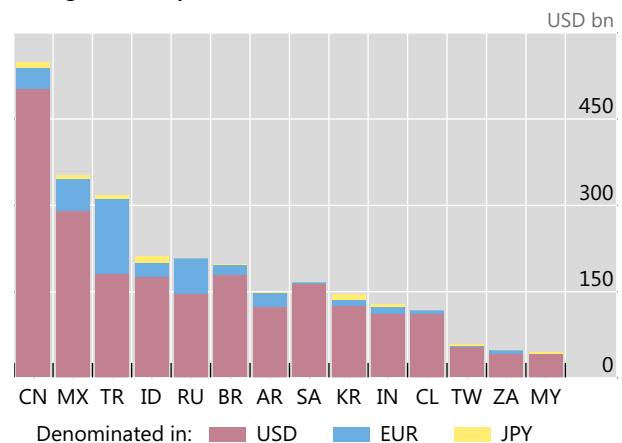
## Foreign currency credit to non-banks in EMDEs

Graph A5

### US dollar-denominated credit by region



### Foreign currency credit to selected EMDEs<sup>1</sup>



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).

<sup>1</sup> Amounts outstanding for the latest available data.

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