

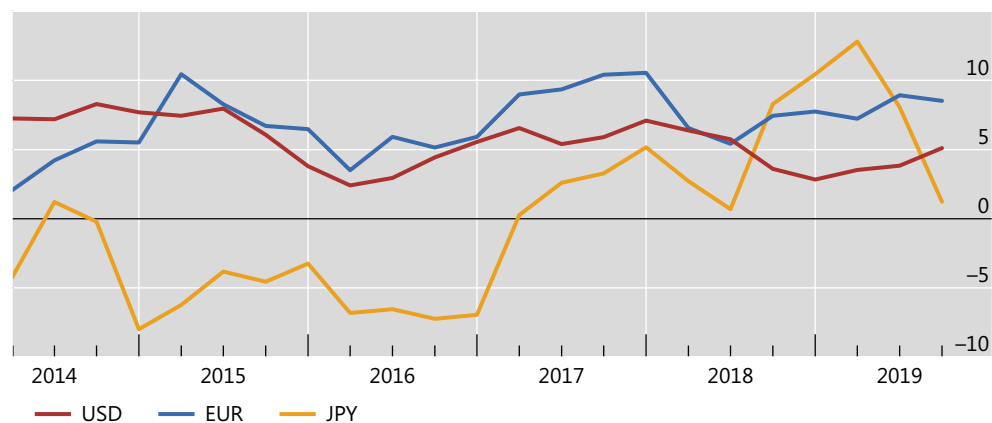


27 January 2020

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

- US dollar credit to non-bank borrowers outside the United States grew by [5%](#) year on year at end-September 2019, to reach \$12.1 trillion.
- Euro-denominated credit outside the euro area continued to expand at a fast pace ([9%](#)). In contrast, the growth rate of yen-denominated credit outside Japan fell to [1%](#).
- Strong debt securities issuance drove expansions in US dollar and euro credit to emerging market and developing economies (EMDEs). US dollar credit to EMDEs grew at an annual rate of [3%](#) (to reach \$3.8 trillion); euro credit to EMDEs expanded by [9%](#) (to reach €0.7 trillion).

Euro-denominated credit outside the euro area continued to expand rapidly



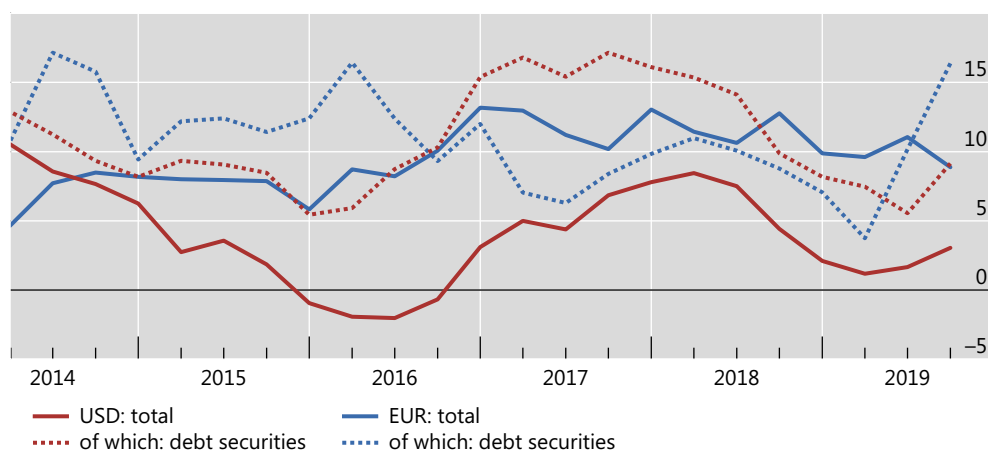
Graph 1: Annual percentage change of US dollar-, euro- and yen-denominated credit to non-resident non-banks ([interactive graph](#)).

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 5% year on year (yoy) (Graph 1, red line) to reach \$12.1 trillion at end-September 2019. In terms of the main components, the growth rate of bank loans ([6%](#) yoy) exceeded that of debt securities ([4%](#) yoy) for a third consecutive quarter. This represents a notable reversal of the pattern observed during most of the post-Great Financial Crisis period, when US dollar debt securities outpaced loans.

Euro-denominated credit to borrowers outside the euro area grew by 9% yoy (Graph 1, blue line), pushing the outstanding stock up to [€3.5 trillion](#) (equivalent to \$3.8 trillion) at end-September 2019. Meanwhile, the yoy growth rate of yen-denominated credit outside Japan fell sharply to 1% (yellow line). This took the outstanding stock to [¥48.6 trillion](#) (equivalent to \$0.5 trillion).

Debt securities drove growth in foreign currency credit to EMDEs



Graph 2: Annual percentage change of US dollar- and euro-denominated credit to non-banks located in EMDEs (interactive graph for [USD](#) and [EUR](#)).

Source: BIS global liquidity indicators [Table E2.1](#) and [Table E2.2](#).

The yoy growth rate of US dollar credit to residents of EMDEs rose slightly, to [3%](#), as of end-September 2019 (Graph 2, solid red line). This was driven by international debt securities, which grew at [9%](#) yoy (dotted red line). By contrast, dollar-denominated bank loans to EMDEs contracted by [2%](#) yoy. Since the start of 2015, the yoy growth rate of dollar loans to EMDEs has been negative in 13 (out of 19) quarters.

Differences across [EMDE regions](#) remained substantial. At one extreme, dollar credit to Africa and the Middle East continued to expand very rapidly (by 13% yoy at end-September, up from 11% at end-June). At the other extreme, dollar credit to emerging Europe continued to contract, albeit at a slightly slower pace (-8% as of end-September) than at end-June (-9%). Between those two extremes, credit to Latin America and the Caribbean grew at 3% yoy while that to emerging Asia remained flat.

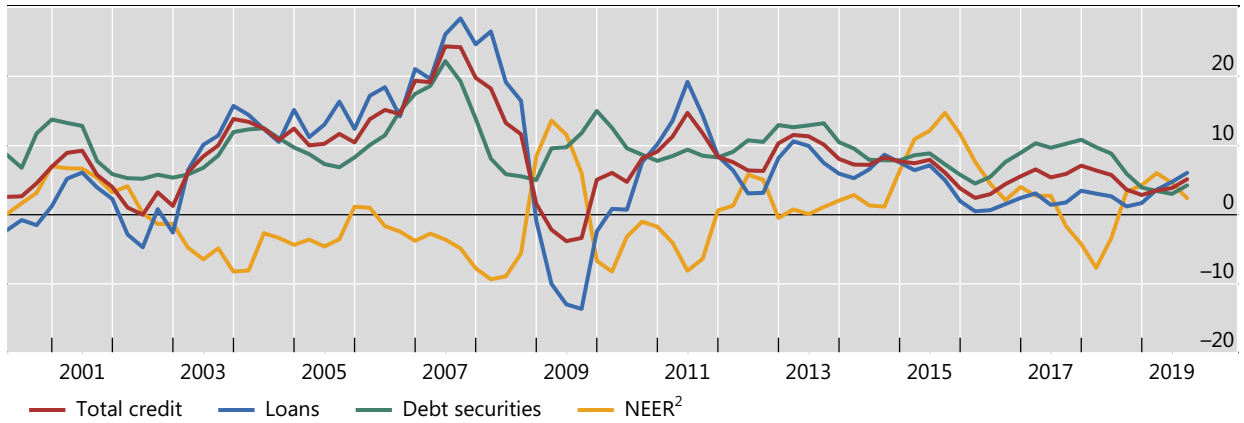
Euro-denominated credit to EMDEs rose at an annual rate of [9%](#) as of end-September 2019 (solid blue line). As with dollar credit, the expansion was driven by international debt securities, which grew by [16%](#) yoy (dotted blue line). The annual growth rate of bank loans dipped to [5%](#) at end-September 2019, down from an average of 9% over the five years up to end-September 2018.

Annex

US dollar credit outside the United States¹

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.

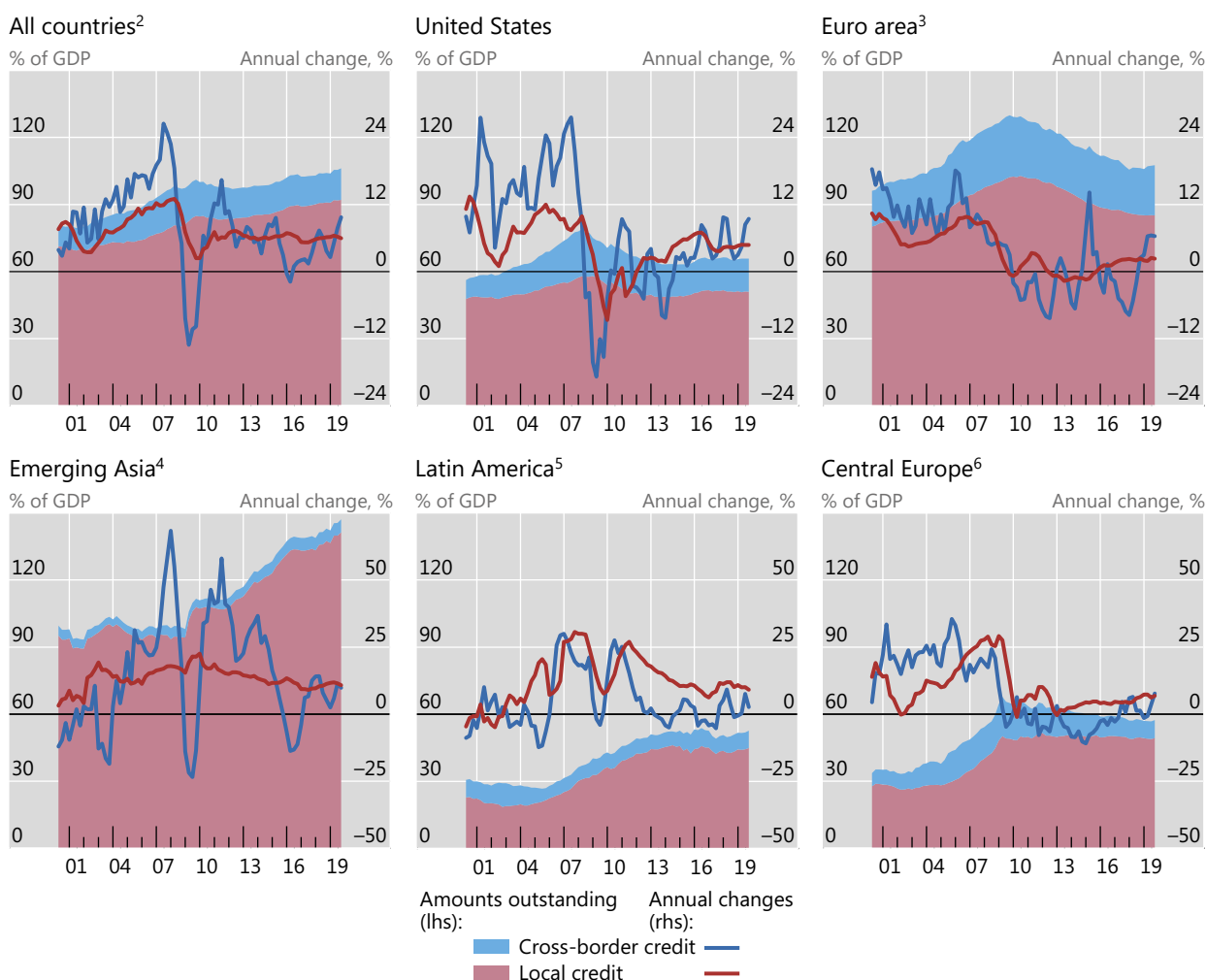
¹ Annual growth of US dollar-denominated credit to non-banks outside the United States. ² Annual growth of the US dollar nominal effective exchange rate (NEER). An increase indicates an appreciation of the US dollar NEER.

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 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.

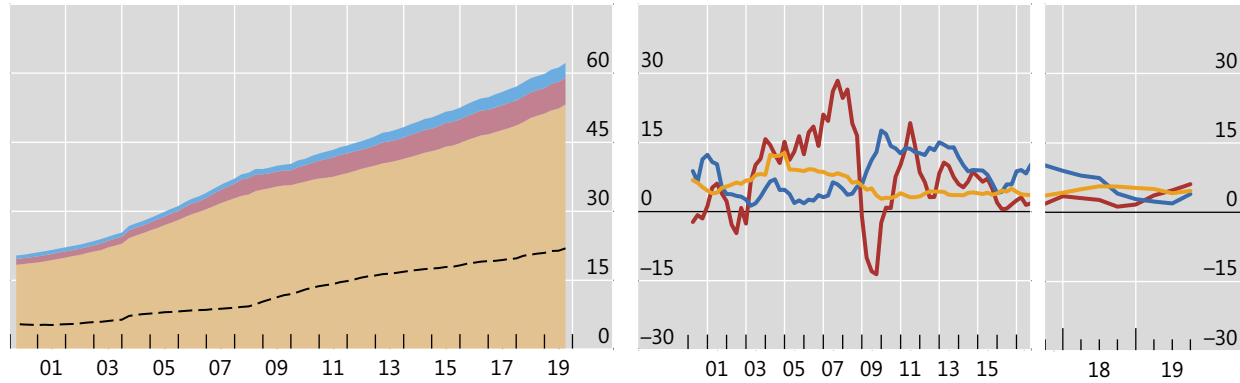
Global credit to the non-financial sector, by currency

Graph A3

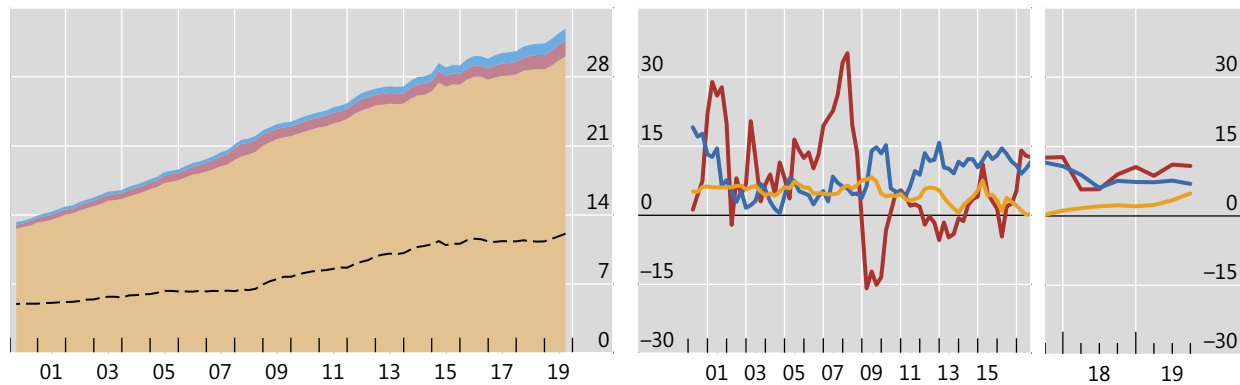
Amounts outstanding, in trillions of currency units¹

Annual change, in per cent²

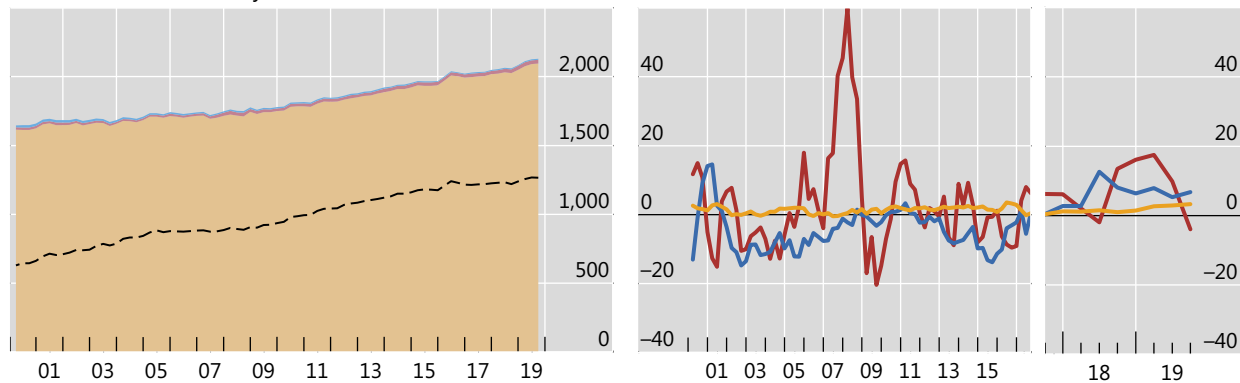
Credit denominated in US dollars



Credit denominated in euros



Credit denominated in yen



Credit to residents³
 Credit to non-residents:

 Of which:

 Debt securities⁴
 Bank loans⁵

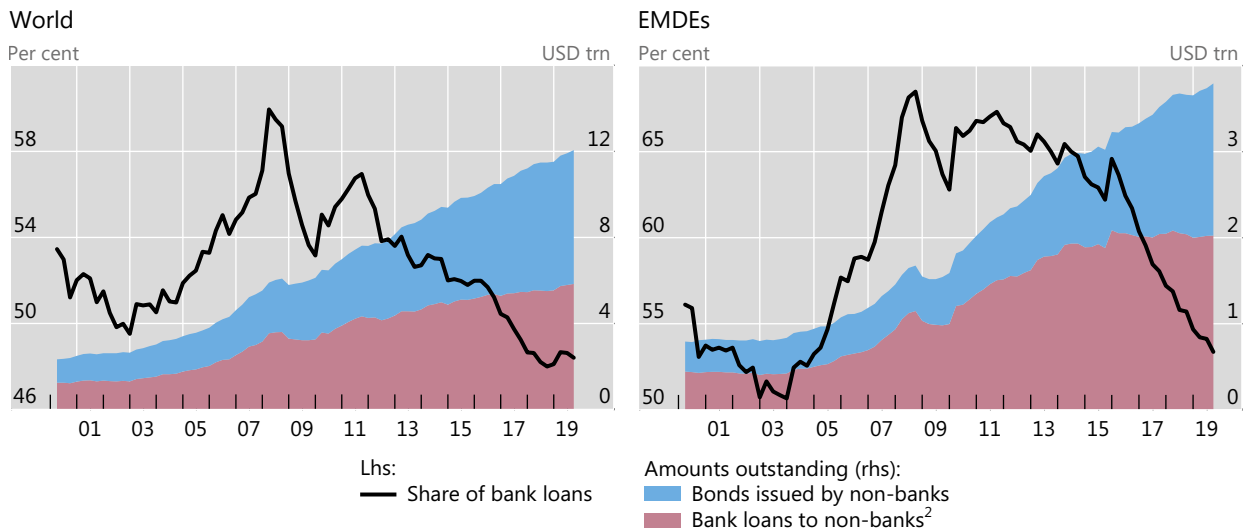
Further information on the BIS global liquidity indicators is available at www.bis.org/statistics/about_gli_stats.htm.

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/about_gli_stats.htm.

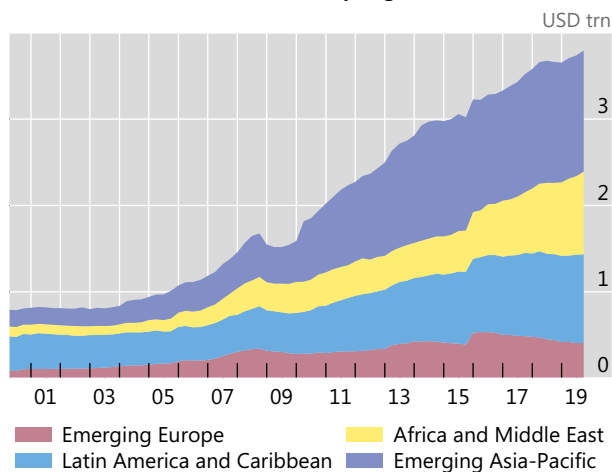
¹ Non-banks comprise non-bank financial entities, non-financial corporations, governments, households and international organisations. ² Loans by LBS-reporting banks to non-bank borrowers, including non-bank financial entities, comprise cross-border plus local loans.

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

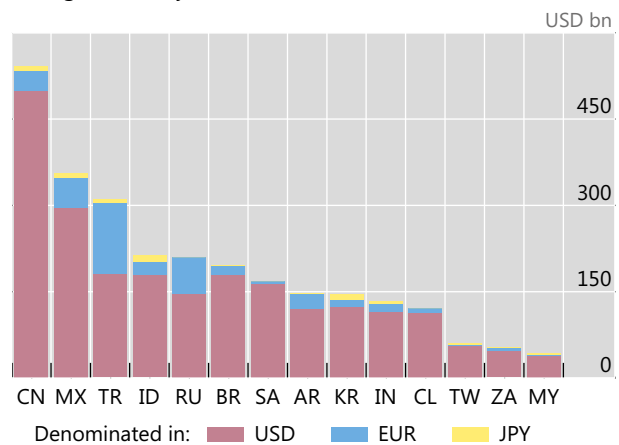
Foreign currency credit to non-banks in EMDEs

Graph A5

US dollar-denominated credit by region



Foreign currency credit to selected EMDEs¹



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.