

Global Debt Remains Above 235% of World GDP

Decline in private lending offsets increase in public borrowing; notable differences persist across countries and income groups.

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Global debt has stabilized, though it remains at an elevated level, as a continued reduction in private-sector lending offset greater borrowing by governments.

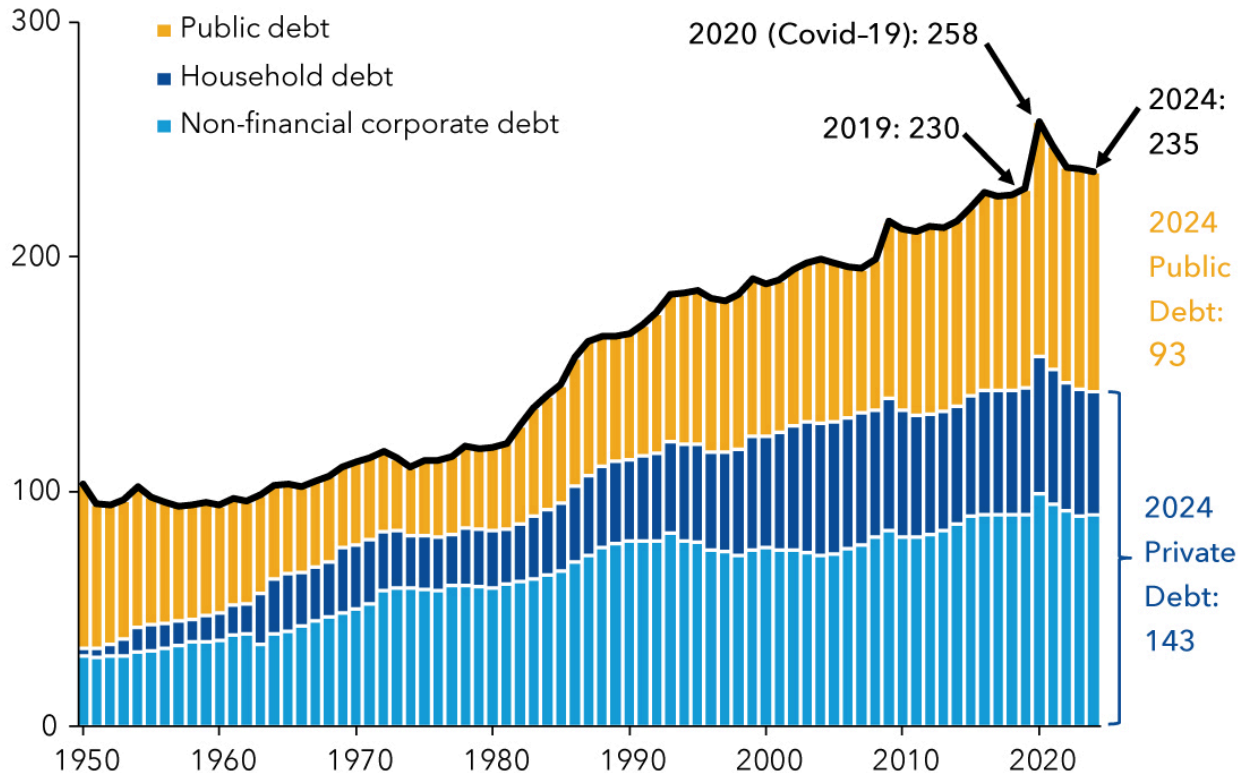
Total debt was little changed last year, just above 235 percent of global gross domestic product, according to the latest update of the IMF's [Global Debt Database](#).

Private debt declined to under 143 percent of GDP, the lowest level since 2015, reflecting a reduction in household liabilities and little change in non-financial corporate debt. In contrast, public debt rose to nearly 93 percent, according to our database reflecting an annual survey of the amount and composition of debt held by governments, businesses, and households.

In US dollar terms, total debt increased slightly to \$251 trillion, with public debt rising to \$99.2 trillion and private debt decreasing to \$151.8 trillion.

Global debt nearly stabilized in 2024

In percentage of global GDP



Sources: IMF 2025 Global Debt Database, and IMF staff calculations.

Note: The rounded estimated ratios of global debt to GDP are weighted by each country's GDP in US dollars.

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Diverging trends across income groups

These global averages mask notable differences across countries and income groups. While the US and China continue to play a dominant role in shaping global debt dynamics, as our April [Fiscal Monitor](#) showed, debt and deficit levels in many countries are still high and concerning by historical standards, in both advanced and emerging economies.

In the US, general government debt last year rose to 121 percent of GDP (from 119 percent), while China saw an increase to 88 percent (from 82 percent). Excluding the US, public debt in advanced economies fell by more than 2.5 points to 110 percent of GDP. Increases in some large, advanced economies like France and the

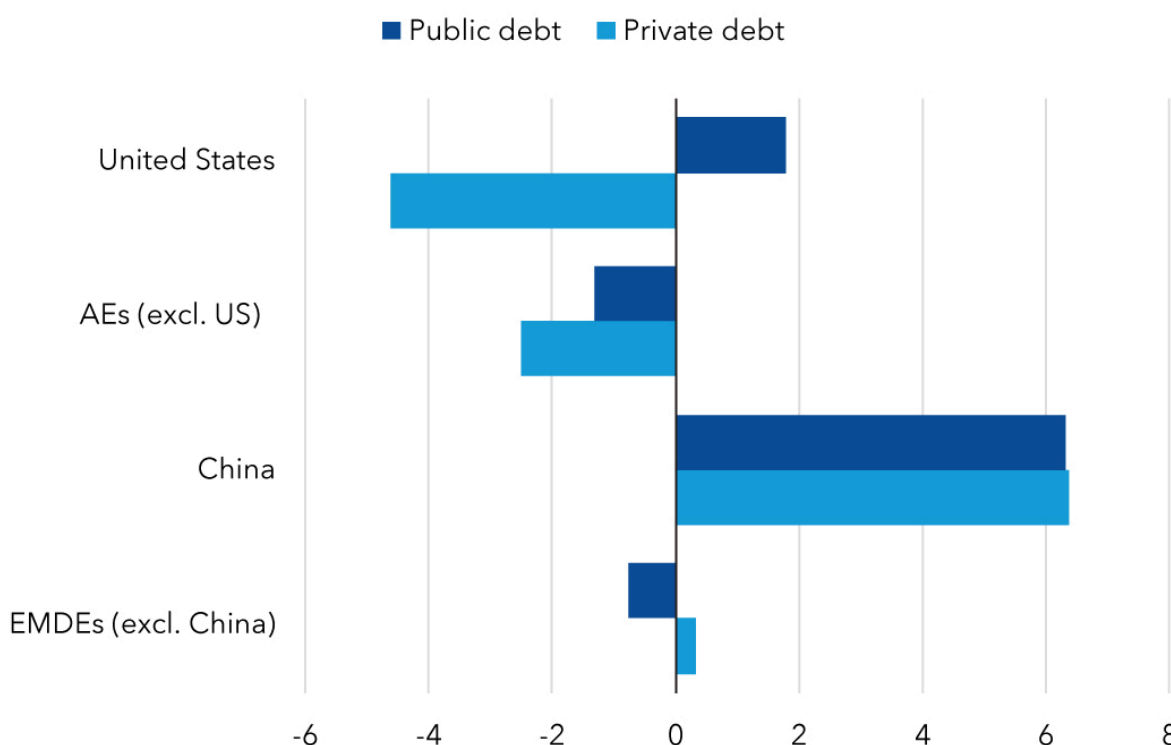
UK were offset by declines in Japan and smaller economies, such as Greece and Portugal.

Excluding China, public debt in emerging markets and developing economies edged down to under 56 percent on average.

Private debt trends varied significantly across countries. The United States experienced a significant drop of 4.5 percentage points, to 143 percent of GDP, while China recorded an increase of 6 points, to 206 percent of GDP. Among other emerging markets and developing economies, private borrowing surged in larger economies like Brazil, India, and Mexico, but declined in Chile, Colombia, and Thailand.

Public and private debt-to-GDP changes varied markedly across AEs and EMDEs in 2024

Change in debt-to-GDP ratio, percentage points



Sources: IMF 2025 Global Debt Database, and IMF staff calculations.

Note: The estimated ratios of debt to GDP across income groups are weighted by each country's GDP in US dollars. Change is calculated by the difference in debt-to-GDP ratio stock from 2023 and 2024. AEs = advanced economies; EMDEs = emerging markets and developing economies.

What drives public and private debt patterns?

The persistently high global fiscal deficit, averaging around 5 percent of GDP, is the main driver of rising public debt. This deficit still reflects legacy costs from the Covid-19—such as subsidies and social benefits—combined with rising net interest costs.

The decline in private debt stems from different factors depending on the country and income group. In many advanced economies, companies are borrowing less, likely in response to [subdued growth prospects](#), continuing a trend started in 2023. In the US, strong balance sheet positions and cash holdings are also contributing to lower corporate borrowing. In other cases, rising public debt alongside falling private debt suggests a crowding-out effect, in which heavy public borrowing limits credit availability or raises its cost for the private sector.

In China, the increase in private debt was led by non-financial corporate debt. The pickup, despite ongoing weakness in the property sector, reflects still-ample credit supply, especially to support strategic sectors. In contrast, household debt edged lower, as soft mortgage demand and concerns over employment and wage growth continue to weigh on borrowing.

Elsewhere in large emerging markets and developing economies, rising private debt stems from high interest rates and their impact on non-performing loans (as in Brazil), improved near-term growth prospects (as in India), and corporate mergers and acquisitions. Conversely, weaker growth prospects have led to private debt declines in countries such as Colombia or Thailand.

In [low-income countries](#), recent debt dynamics reflect a range of additional factors. They include more limited financial development, tight liquidity conditions, and crowding-out effects linked to the sovereign debt-private debt nexus.

Governments should help manage these trends by prioritizing [gradual fiscal adjustments](#) within a credible medium-term plan to reduce public debt, while helping to avoid crowding-out private borrowing and investment. At the same time, fostering an environment that boosts economic growth and reduces uncertainty will help ease public debt and encourage private sector investment.