

Macro Roundup Article

Headline: [Why Are China's Households in the Doldrums?](#)

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Author(s)	Jeff Dawson
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Summary: Households are paying down their mortgage debt. As of July 2023, mortgage loans accounted for over 50% of total household debt (\$6 trillion and a third of GDP). Over the past year, the amount of mortgage loans outstanding has declined for the first time ever in China as households have prioritized mortgage repayments. Note that other forms of consumer credit have also slowed sharply. The lockdown's impact on consumer spending helped push up deposits in the 2020-21 period. New deposit growth has accelerated notably over the past year.

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