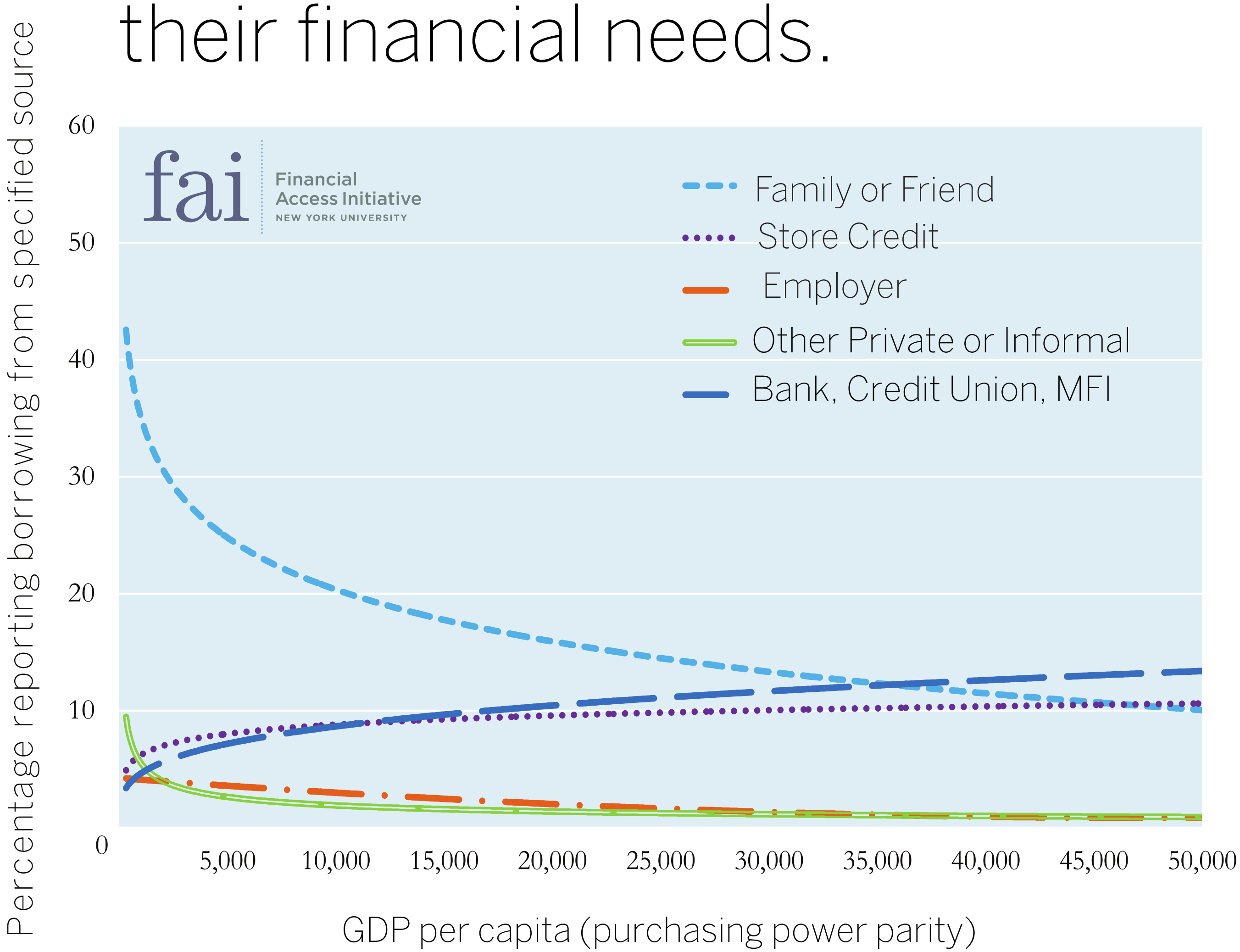
In wealthy and poor countries alike, people rely on a variety of lending sources to meet their financial needs.



The most common sources for loans are family and friends, financial institutions, and store credit (or paying by installment). In no country did more than 30% of respondents report borrowing from a formal financial institution such as a bank, credit union, or microfinance institution in the twelve months prior to the survey. The trendlines show that rates of borrowing from family and friends decrease gradually with country income. Such borrowing, however, remains an important course of loans even in wealthy countries. The use of other private and informal lenders, on the other hand, drops off quickly with increases in country income.

Data source: Global Findex database, 2012 (http://datatopics.worldbank.org/financialinclusion) and World Bank World Development Indicators Database.
Graph and analysis by Kerry Brennan, Financial Access Initiative (www.financialaccess.org)
Notes: GDP data is from 2010. Trendlines are based on either logarithmic or power estimation, depending on best R-squared fit.