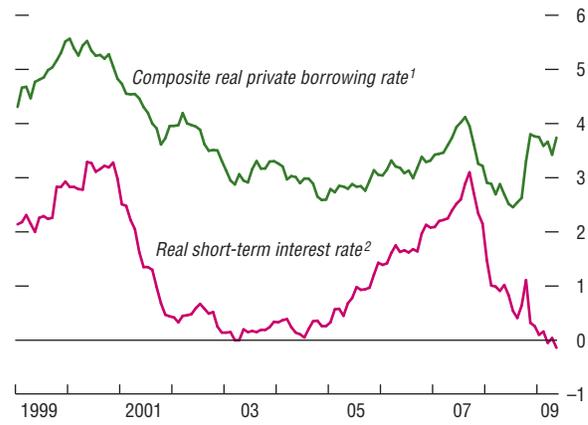


Figure 1.6. Composite Real Private Borrowing Rate and Short-Term Interest Rates
(In percent)



Sources: Bloomberg L.P.; European Central Bank; European Securitisation Forum; U.S. Federal Reserve; Haver Analytics; and IMF staff estimates.

Note: MBS = mortgage-backed security; ABS = asset-backed security; CPI = consumer price inflation.

¹The composite real private borrowing rate (RPBR) is a GDP-weighted average of the U.S., Japan, euro area, and U.K. RPBRs. The component RPBRs are calculated as the average of nominal bank mortgage, consumer, and corporate lending rates, and corporate bond and MBS/ABS yields, weighted by amounts of credit outstanding, minus year-on-year CPI.

²GDP-weighted average of G-7 short-term interest rates, one-month rolling.