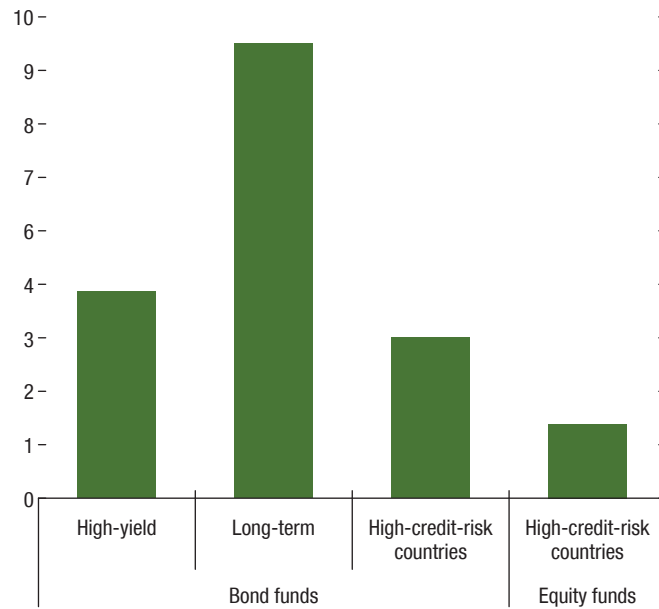


**Figure 2.11. Risk Taking by Mutual Funds and Monetary Policy**  
*(Percent of total assets)*

Mutual funds in the United States increase the riskiness of their portfolios after an accommodative monetary policy change.



Sources: EPFR Global; Lipper Global Mutual Fund Holdings; and IMF staff estimates.  
 Note: The figure shows the estimated change in the allocations of mutual funds' portfolios into each asset class, after a 1 percentage point decrease in Wu and Xia's (2016) shadow policy rate. The shadow policy rate takes into account the use of unconventional monetary policies. All estimates are significant at least at the 10 percent significance level. See Annex 2.2 for details.