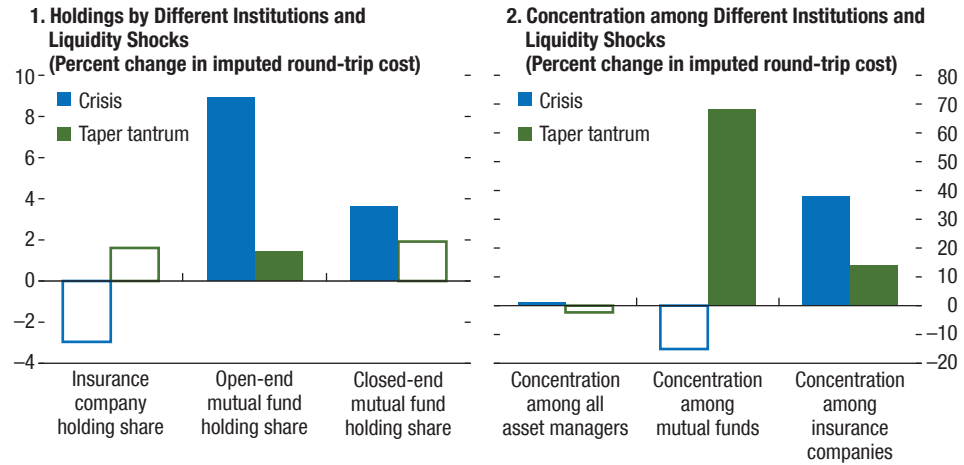


**Figure 2.3.2. Ownership and Market Liquidity**

Corporate bond liquidity is more fragile when mutual funds own a larger share.

Concentration of ownership—in particular among mutual funds—makes liquidity more sensitive to financial shocks.



Sources: FINRA Trade Reporting and Compliance Engine; and IMF staff estimations.

Note: The charts show the estimated impact of ownership and ownership concentration on imputed round-trip costs for corporate bonds traded in the United States. A positive value signifies a decline in liquidity. Solid columns mean statistical significance at least at the 10 percent level. See Annex 2.2.