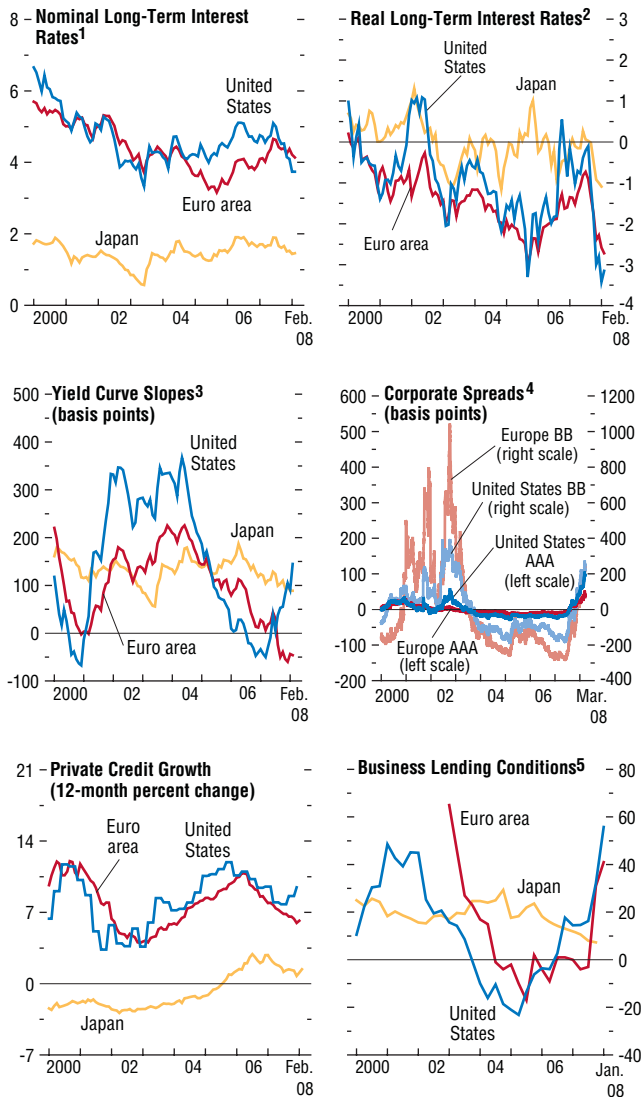


## Figure 1.5. Developments in Mature Credit Markets

(Interest rates in percent unless otherwise noted)

Risk spreads have continued to widen in recent months as financial market uncertainties have continued amid intensifying concerns about the outlook. At the same time, rates on long-term government paper have come down further.



Sources: Bank of Japan; Board of Governors of the Federal Reserve System; Bloomberg Financial Markets; European Central Bank; Merrill Lynch; and IMF staff calculations.

<sup>1</sup>Ten-year government bonds.

<sup>2</sup>Ten-year government bonds relative to headline inflation. Measured as deviations from 1990–2007 average.

<sup>3</sup>Ten-year government bond minus three-month treasury bill rate.

<sup>4</sup>Measured as deviations from 2000–07 average.

<sup>5</sup>Percent of respondents describing lending standards as tightening “considerably” or “somewhat” minus those indicating standards as easing “considerably” or “somewhat” over the previous three months. Survey of changes to credit standards for loans or lines of credit to enterprises for the euro area; average of surveys on changes in credit standards for commercial/industrial and commercial real estate lending for the United States; average of changes in credit standards for small, medium-size, and large firms for Japan.