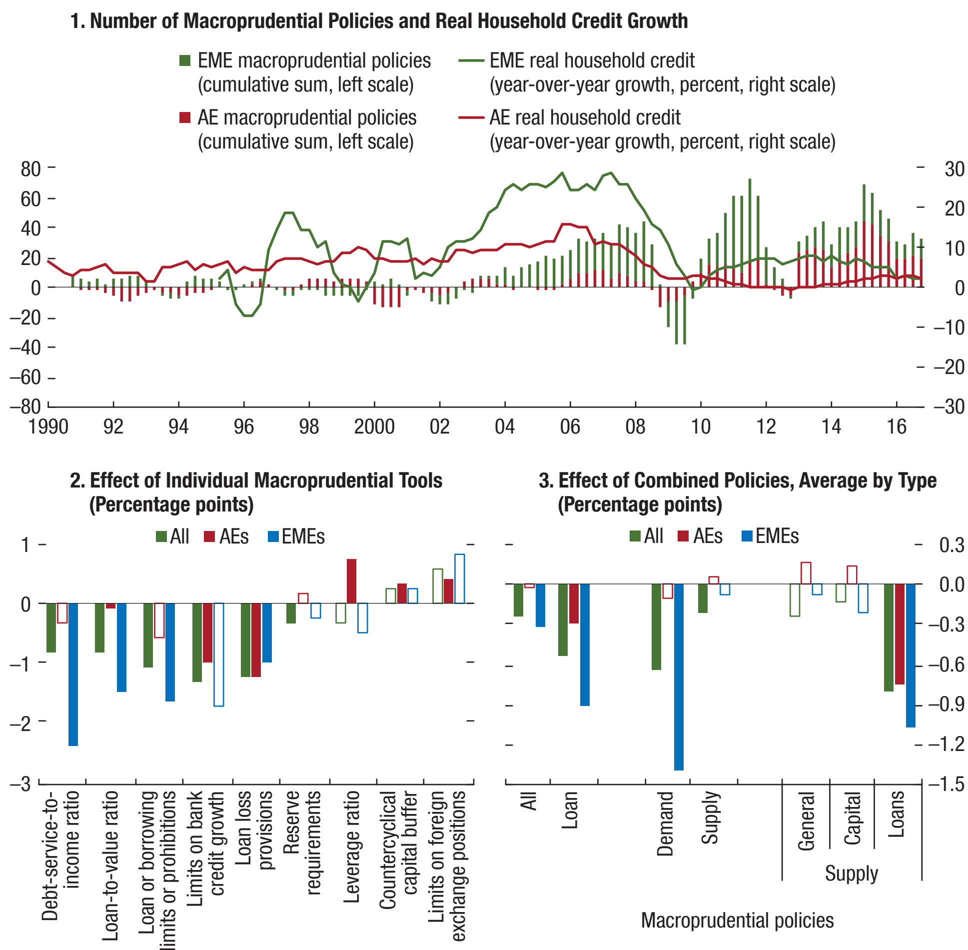
Figure 2.5.1. Macroprudential Policy Tools and Household Credit Growth



Source: IMF staff calculations.

Note: In panel 1, the macroprudential policies show the cumulative sum of tightening (+) and loosening (–) policies. Panel 2 shows the estimated average effects on real household credit growth of one tightening event for each macroprudential measure, one at a time, in a panel regression of 62 countries (32 advanced economies and 30 emerging market economies). In panel 3, All comprises all 14 measures considered. Loan consists of demand-side and supply-side loans. Demand includes debt-service-to-income ratios and loan-to-value ratios. Supply measures are classified into General, Capital, and Loans. Supply (General) consists of reserve requirements, liquidity requirements, limits on foreign exchange positions, and taxes on financial institutions. Supply (Capital) consists of capital requirements, conservation buffers, the leverage ratio, and the countercyclical capital buffer. Supply (Loans) consists of limits on bank credit growth, loan loss provisions, loan restrictions, and limits on foreign currency loans. Shaded bars depict significant effects at the 10 percent confidence levels. See Annex 2.2 for estimation details. AEs = advanced economies; EMEs = emerging market economies.