Figure 2.3. Procyclicality: Regulatory Tools, Outcomes, and IMF Technical Assistance

Despite positive credit gaps in many countries, countercyclical capital buffers have been triggered infrequently.

A fundamental IMF role in the reform agenda has been through its technical assistance activities.

1. Total Credit-to-GDP Gap in BCBS Members and CCyB Rates
   (Percentage points; deviation from credit-to-GDP trend)

   ... as a variety of sectoral countercyclical tools have taken hold.

2. Credit Procyclicality
   (Regression coefficient)

   Most countries have seen declining procyclicality of their bank credit since the crisis ...

3. Household Sector Tools
   (Number of countries, 2017)

   A variety of quantitative tools for household risk

   (Percent of banking supervision missions)

Sources: Bank for International Settlements; Fitch Connect; IMF, 2017 Macroeconomic Policy Survey; IMF, Financial Sector Assessment Program; and IMF staff calculations.

Note: In panel 1, credit-to-GDP gap is calculated as of 2017:Q3. In panel 2, each point represents the country-level regression coefficient of real quarterly banking system credit growth on quarterly real GDP growth, both detrended. The horizontal axis shows the coefficient estimated for the precrisis period (2000–07), and the vertical axis shows the coefficient for the postcrisis period (2010–15). BCBS = Basel Committee for Banking Supervision; CCyB = countercyclical capital buffer; IFRS = International Financial Reporting Standards.