Figure 1.12. Bank Nonperforming Loans and Lending Conditions (continued)

Policy actions are needed to support bank lending.

5. Simulated Bank Lending Capacity, 2015–17
(Percent of sample)

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Corporate debt-servicing capacity remains weak.

6. Corporate Interest Coverage Ratios
(Percent of debt)

Source: IMF staff estimates.
Note: Shows the average annual bank lending capacity over the period 2015–17 for a sample of more than 100 euro area banks and around 80 Japanese banks.

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Source: Amadeus database; national central banks; and IMF staff estimates.
Note: French data for 2012–13 are estimated using central bank data for a smaller number of firms. EBIT = earnings before interest and taxes. EBITDA = earnings before interest, taxes, depreciation, and amortization.