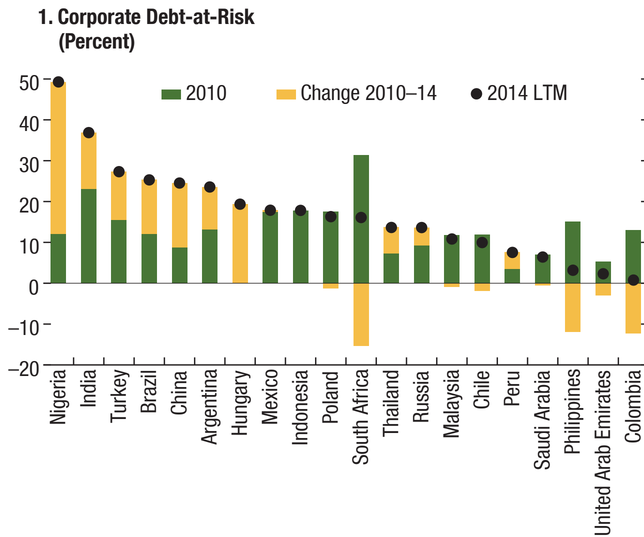
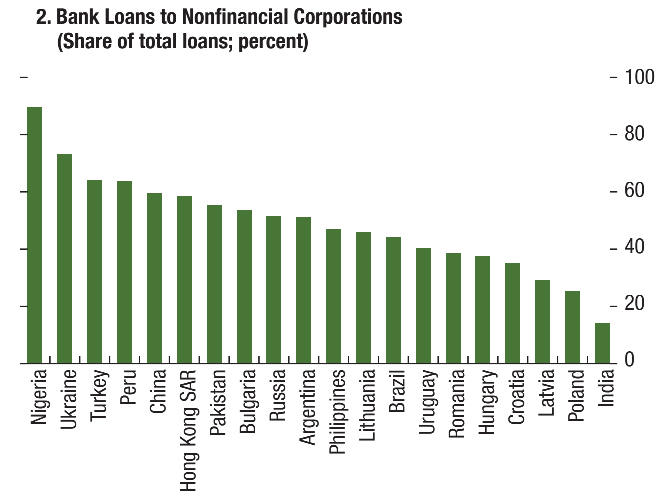
Figure 1.28. Financial Stability of Emerging Market Banks

Nigeria, India, Turkey, and Brazil among others have a large share of corporate debt-at-risk.



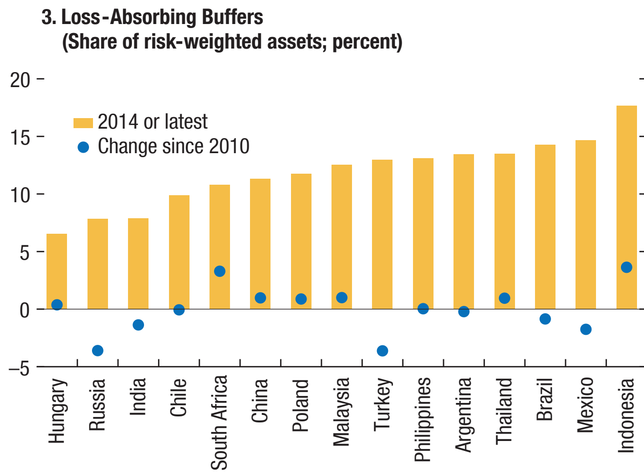
Sources: S&P Capital IQ; and IMF staff calculations.
Note: Debt-at-risk is the share of corporate debt held by the "weak firms" or those with interest coverage ratios (EBITDA divided by interest expense) less than two. A sample of more than 10,000 firms was used. EBITDA = earnings before interest, taxes, depreciation, and amortization; LTM = last 12 months.

Banks in Nigeria, Ukraine, Turkey, and Peru are highly exposed to nonfinancial firms.

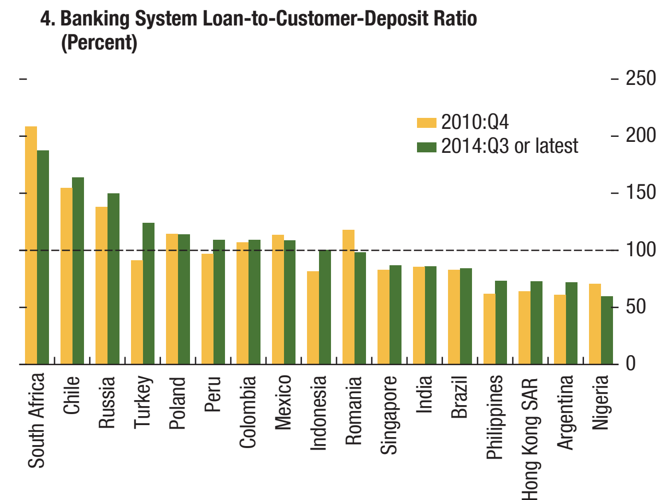


Sources: IMF, Financial Soundness Indicators; and IMF staff calculations.

Banking buffers vary considerably among emerging market economies, and loan-to-deposit ratios have increased in places.



Sources: IMF, Financial Soundness Indicators; and IMF staff calculations.
Note: Loss-absorbing buffers = (Tier 1 capital + loan loss reserves – NPL)/(risk weighted assets). Data are for 2014 or latest available (2013 for China, Poland, and Thailand). NPL = nonperforming loan.



Source: IMF, Financial Soundness Indicators.
Note: Does not include interbank loans. Dashed line corresponds to 100 percent level.