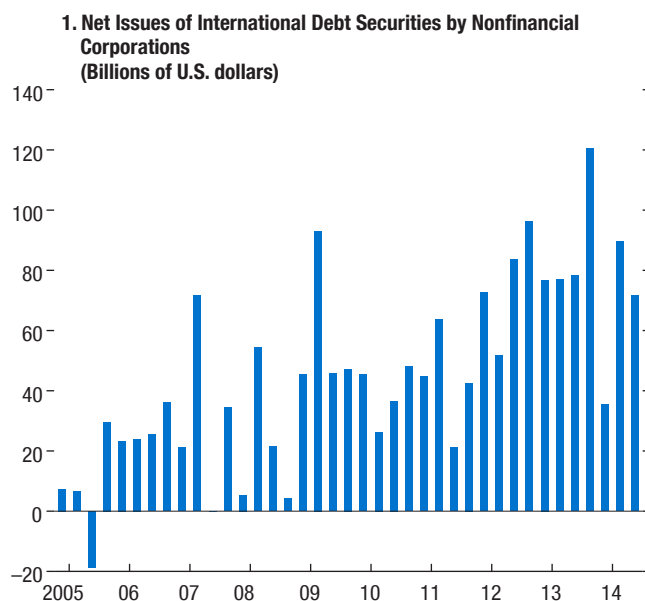


Figure 2.7. Changes in Corporate Borrowing



Sources: Bank for International Settlements, Debt Securities Statistics; and IMF staff estimates.



Sources: Datastream/Worldscope; IMF staff estimates.

Note: The figure plots the standard deviation of median manufacturing firms' borrowing costs across countries, after accounting for firm and macroeconomic characteristics, including country risk. The two spikes in the figure correspond to the years following the Asian crisis in 1998, and the Argentine crisis in 2001. Corporate borrowing costs are computed from listed firms' balance sheet and income statement data as the ratio of firms' interest expenses to total debt.