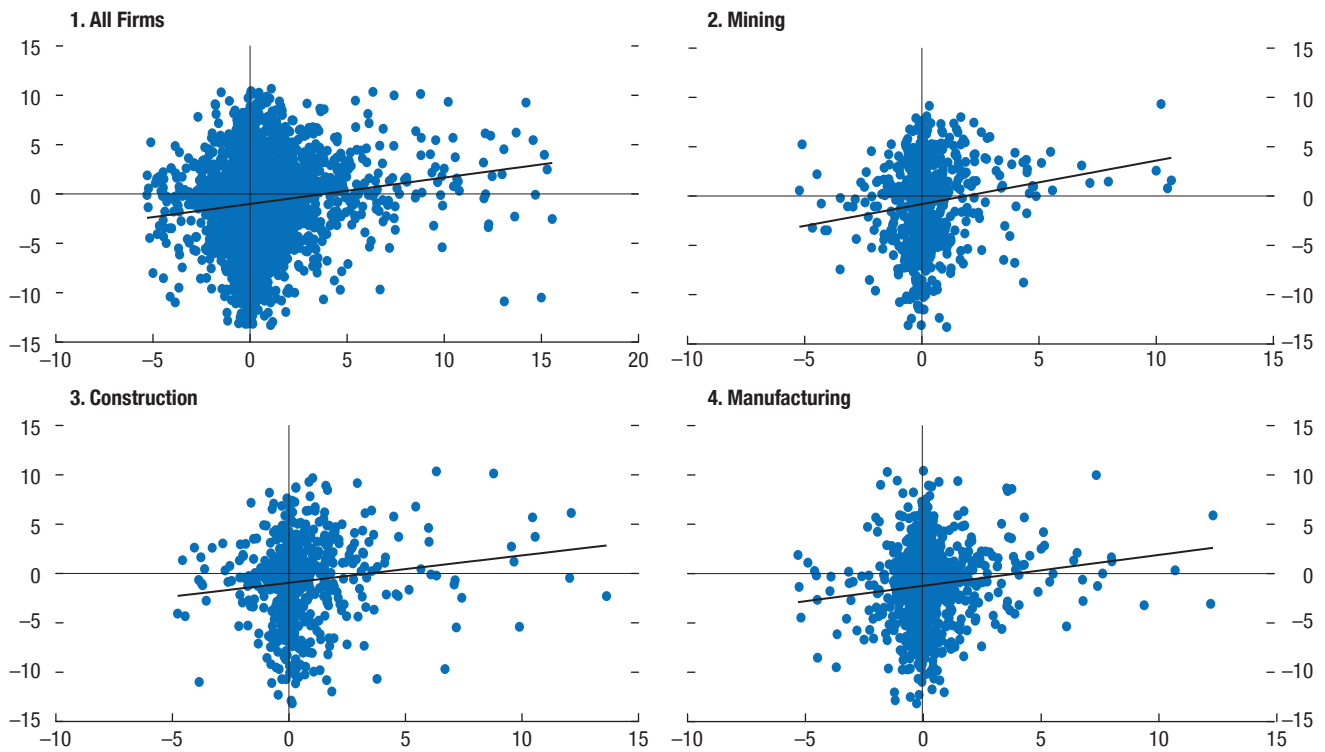


Figure 3.7. Change in Foreign Exchange Exposures and Corporate Leverage, by Sector
(Percentage points)



Source: IMF staff estimates.

Note: The vertical axes depict the changes (from 2001–07 to 2010–14) in estimated foreign exchange exposure and the horizontal axes depict the changes in the leverage ratio (total liabilities to market equity) for listed firms. The slopes are statistically significant at least at the 5 percent level. The results are robust to outliers and to other measures of leverage.