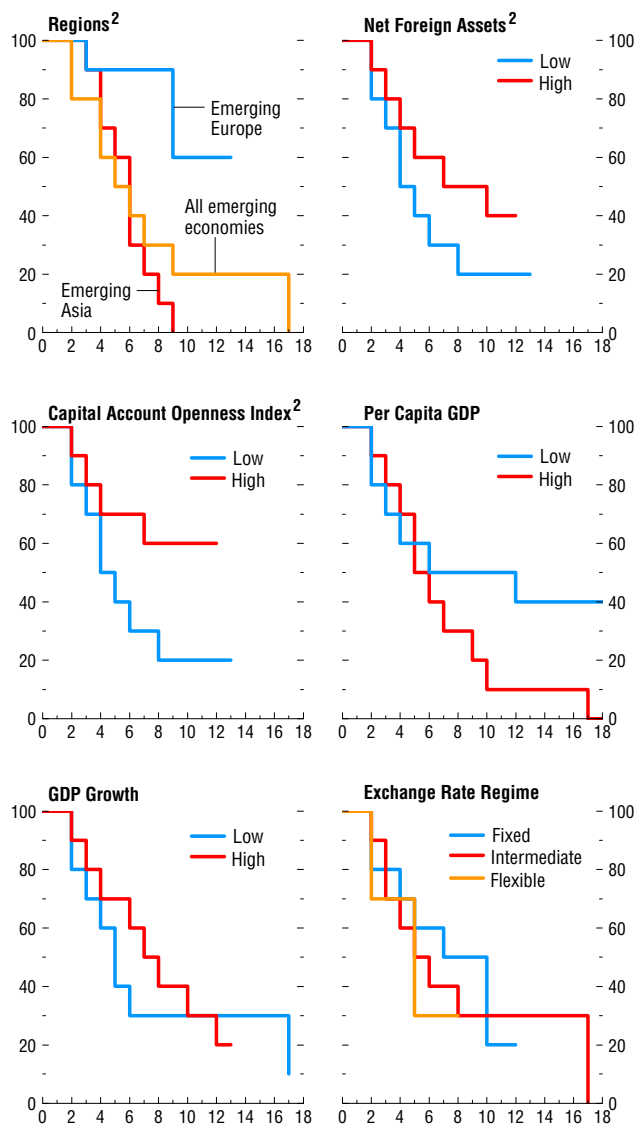


Figure 6.15. Survival Functions of Deficit Episodes¹

(Number of years on x-axis, percent on y-axis)

The main factors associated with prolonged foreign borrowing (that is, high survival rates) are high initial net foreign asset positions, capital account openness, and favorable growth opportunities.



Source: IMF staff estimates.

¹Kaplan-Meier survival function estimates. High and low levels are defined relative to the median level.

²Difference in survival functions is statistically significant at the 10 percent level or less (log-rank test).