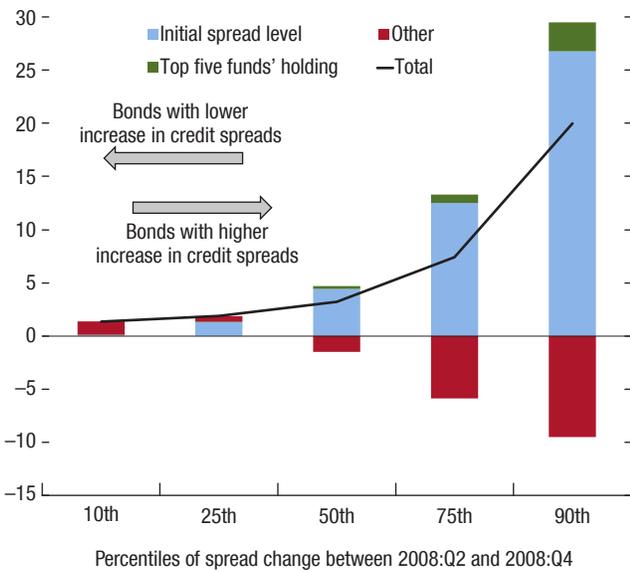


**Annex Figure 3.2.1. Drivers of Changes in Credit Spreads during Stress Episodes**  
*(Changes in credit spreads in percentage points, by the levels of the spread changes)*

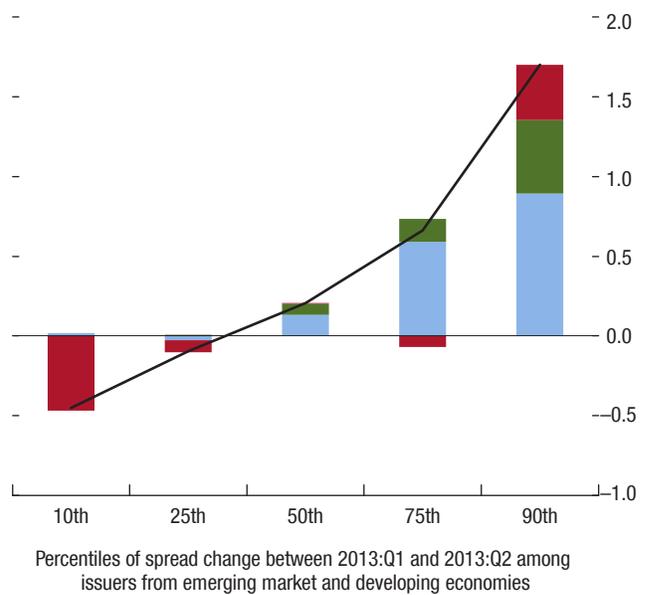
During the global financial crisis, bonds that were held in a more concentrated manner were adversely affected, especially those with high initial spread levels.

The same was true for emerging market and developing economy bonds during the “taper shock” episode.

**1. Global Financial Crisis: U.S. Dollar Bonds Issued in the United States**  
 (Changes between 2008:Q2 and 2008:Q4)



**2. Taper Shock: Emerging Market and Developing Economies**  
 (Changes between 2013:Q1 and 2013:Q2)



Sources: eMaxx; and IMF staff estimates.