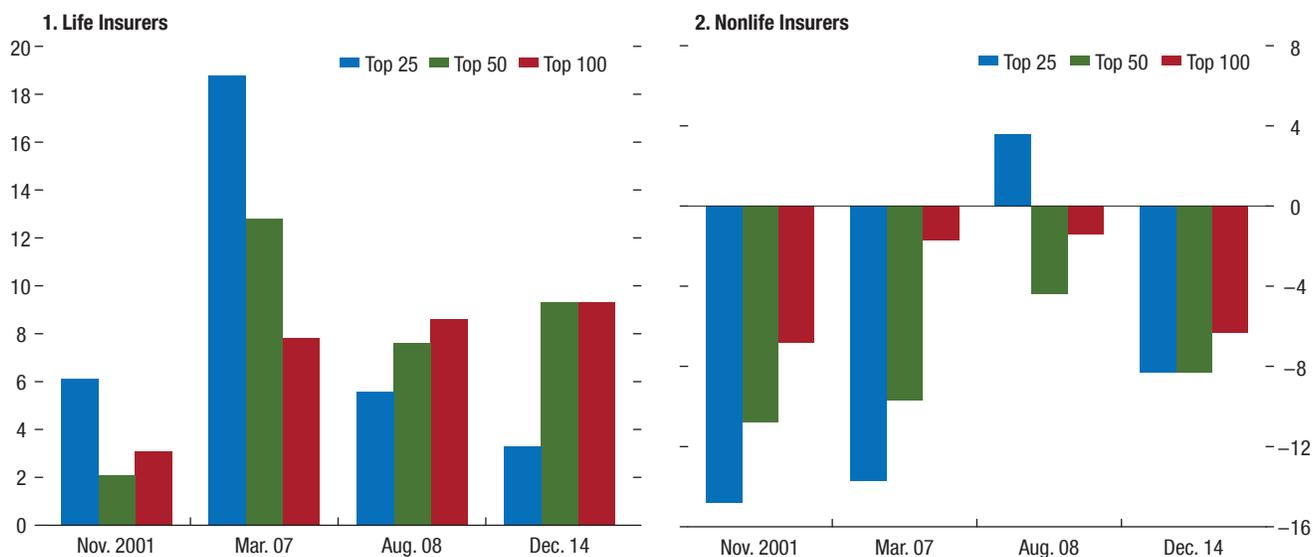


Figure 3.9. Forward-Looking Default Correlation Networks
(Percent; over- or underrepresentation of insurers)



Sources: Risk Management Institute 2015; and IMF staff calculations.

Note: Figure shows over- or underrepresentation of life and nonlife insurers, in the top 25, top 50, and top 100 firms included in the forward-looking default correlation network. For example, a 5 percent value for the top 100 indicates that there are 5 percent more insurance firms among the top 100 than justified by their sample share. Total sample size ranges between 1,263 and 1,679 firms, including 310 to 410 insurers. Owing to the large number of firms, a regularization adjustment was required to generate fully connected networks, where no firm is an orphan (Oh and others 2014).