Figure 1.27. Selected Asia: Commercial Banks' Loss-Absorbing Buffers

(In percent of risk-weighted assets; asset-weighted mean)

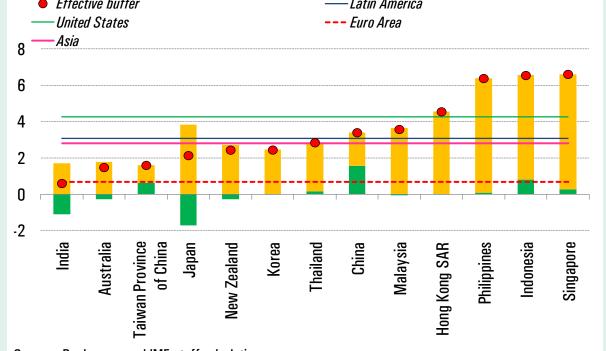
Tier-1 capital in excess of 8.5 %

Effective buffer

United States

Loan loss reserves less nonperforming loans

Effective Area



Sources: Bankscope; and IMF staff calculations

¹Loss absorbing buffers are calculated as Tier-1 capital in excess of 8.5 percent plus loan loss reserves less impaired loans as percent of total risk-weighted assets.