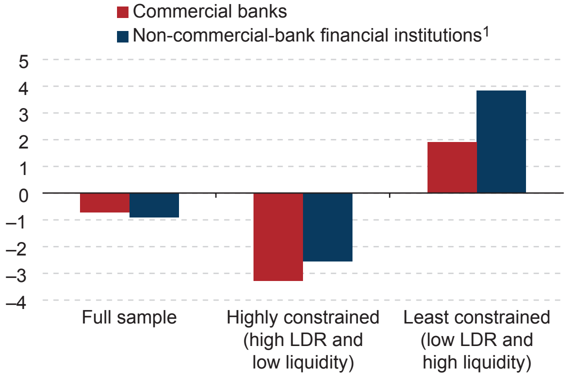
Figure 1.13.1

Impact of a One Standard Deviation Increase in Policy Rate on Loan Growth

(Percentage points)



Source: IMF staff estimates.

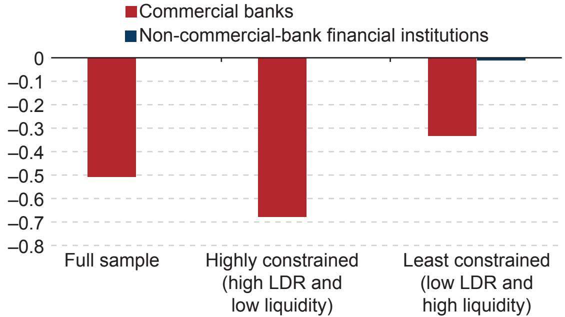
Note: LDR = Loan-to-deposit ratio. The results are based on fixed-effects panel regressions of banks' (or non-commercial-bank financial institutions') real credit growth on changes in the real policy rate, controlling for global liquidity, domestic demand, bank characteristics, and bank and time fixed effects. One standard deviation = 2.6 percentage points change of policy rate (cumulative change over one year).

[1] Non-commercial-bank financial institutions include savings banks, cooperative banks, real estate and mortgage banks, investment banks, other nonbank credit institutions, specialized governmental credit institutions, and microfinancing institutions.

Figure 1.13.2

Impact of a One Standard Deviation Change in Global Financial Conditions on Loan Growth

(Percentage points)



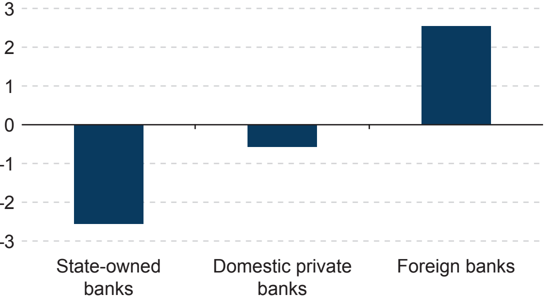
Source: IMF staff estimates.

Note: LDR = loan-to-deposit ratio. Global financial conditions are proxied by the Chicago Federal Reserve's adjusted U.S. National Financial Conditions Index. A higher index is associated with a tightening of global financial conditions. One standard deviation = 6.1 percent change of the Financial Conditions Index. The results are based on fixed-effects panel regressions of banks' (or non-commercial-bank financial institutions') real credit growth on changes in real policy rate, controlling for global liquidity, domestic demand, bank characteristics, and bank and time fixed effects.

Figure 1.13.3

Impact of a One Standard Deviation Increase in Policy Rate on Loan Growth across Different Types of Bank Ownership

(Percentage points)

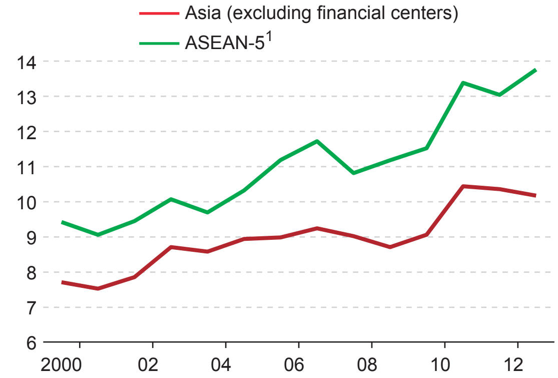


Source: IMF staff estimates.

Note: The results are based on fixed-effects panel regressions of banks' (or non-commercial-bank financial institutions') real credit growth on changes in real policy rate, controlling for global liquidity, domestic demand, bank characteristics, and bank and time fixed effects. One standard deviation = 2.6 percentage points change of policy rate (cumulative change over one year).

Figure 1.13.4

Foreign Bank Share of Domestic Banking Sector Assets



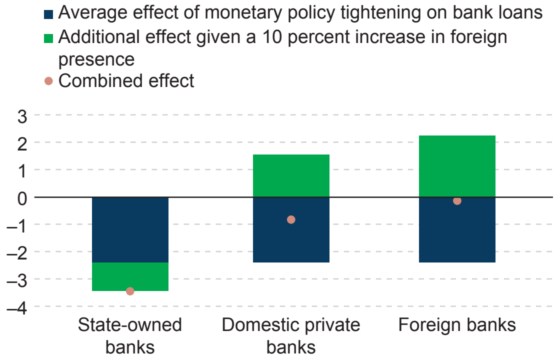
Sources: Bankscope; and IMF staff calculations.

[1] ASEAN-5 comprises Indonesia, Malaysia, Thailand, the Philippines, and Singapore.

Figure 1.13.5

Impact of Foreign Presence on Monetary Policy Transmission to Loan Growth

(Percentage points)



Source: IMF staff estimates.
Note: Change in monetary policy is measured as percentage point change in policy rate or short-term interest rate. Foreign bank presence is a percentage share of foreign bank assets in total domestic banking sector assets. The results are based on fixed-effects panel regressions of banks' (or non-commercial-bank financial institutions') real credit growth on changes in real policy rate, controlling for global liquidity, domestic demand, bank characteristics, and bank and time fixed effects. One standard deviation = 2.6 percentage points change of policy rate (cumulative change over one year).