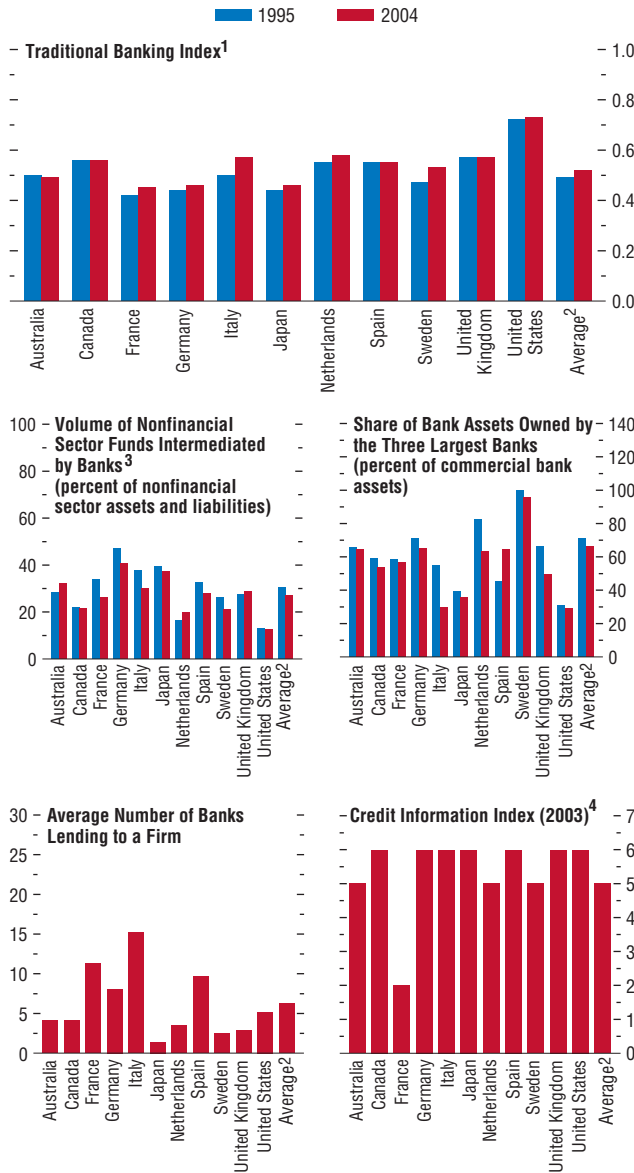


Figure 4.2. Traditional Banking: Index for Selected Advanced Economies

Banks still intermedate a larger volume of funds in European countries and Japan, despite faster bank disintermediation in these countries over the last decade. However, the inclusion of indicators of competition in the banking sector and of financial information disclosure narrows cross-country differences in traditional banking, as several European countries score high on these measures.



Sources: National financial accounts from Eurostat and OECD; Ongena and Smith (2000); World Bank, Doing Business Database; World Bank, Financial Structure Database; and IMF staff calculations.

¹A higher value on the index denotes a lower degree of traditional banking.
²Average includes Austria, Belgium, Denmark, Finland, Greece, Norway, and Portugal in addition to other countries already listed.
³Average of assets with banks and liabilities vis-à-vis banks of the nonfinancial sector (household, nonfinancial corporate, government, and rest of the world), as a percent of the nonfinancial sector average of assets and liabilities. IMF staff calculations based on national financial accounts.
⁴The index ranges from 0 to 6, with higher values indicating that more credit information is available from either a public registry or a private bureau.