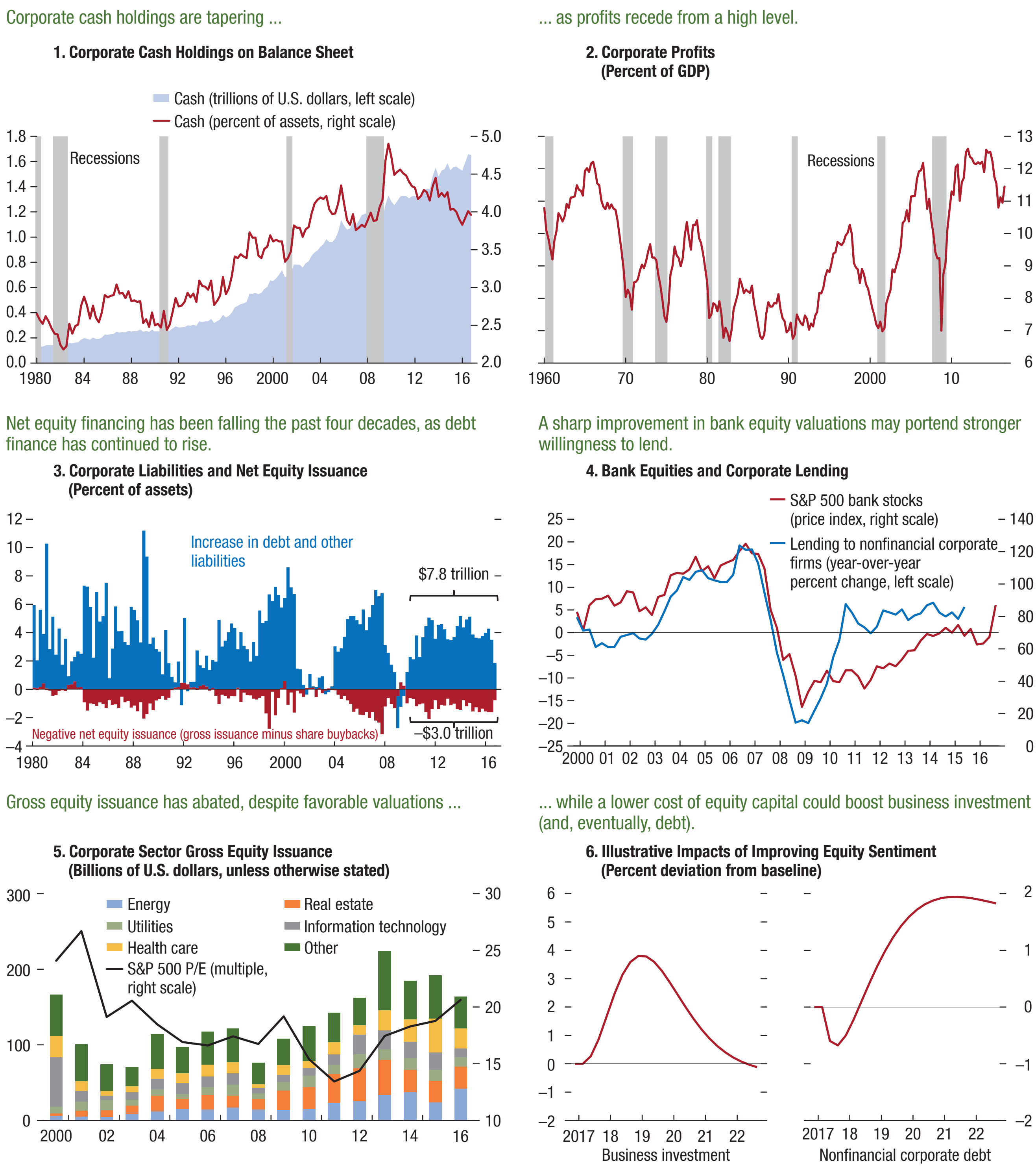
Figure 1.8. United States: Corporate Internal Funds and External Sources of Finance



Sources: Bloomberg L.P.; Dealogic; Federal Reserve; Morgan Stanley Capital International; Standard and Poor's (S&P); Vitek 2017; and IMF staff estimates.
Note: In panel 4, the series for lending is lagged 12 months. Bank balance sheet improvements are modeled using an equivalent decrease in the share of bank capital devoted to lending, phased in over five years. Equity risk premium compression in panel 6 consists of a 10 percent increase in the real equity price, phased in over one year. Shaded areas represent economic recessions. P/E = price-to-earnings ratio.