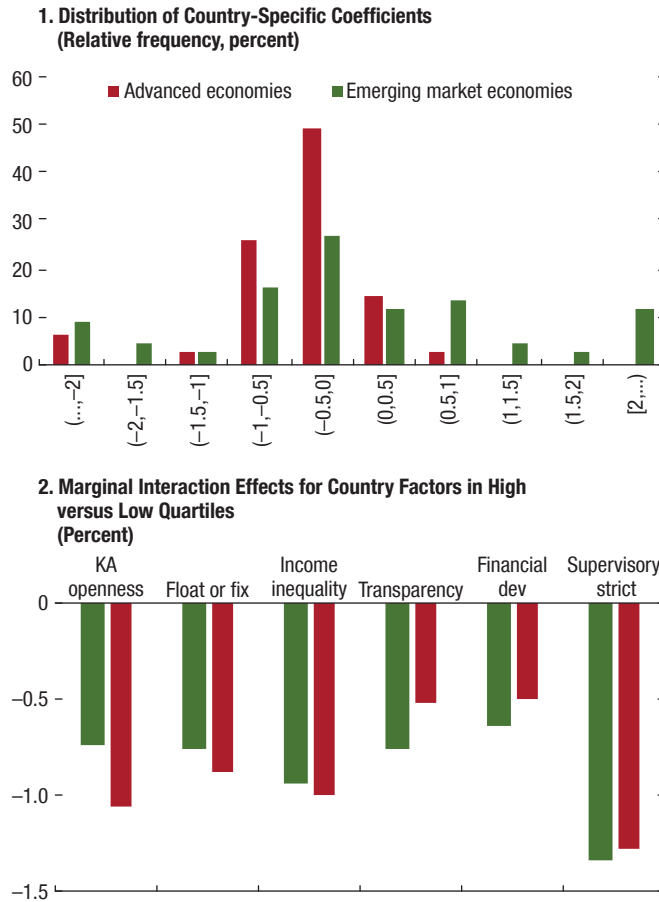


**Figure 2.10. The Impact of Household Debt by Country and Institutional Factors**



Source: IMF staff calculations.

Note: Panel 1 shows country-level coefficients of changes in household debt in ordinary least squares regressions of three-year-ahead real GDP growth on changes in household and firm debt. Panel 2 shows the marginal effect of changes in household debt on GDP growth three years ahead, from panel regressions with institutional factors, evaluated at the 25th and 75th percentiles. Effects are statistically significant at the 10 percent level or higher. See also Figure 2.8 and Annex 2.2. Financial dev = financial development index from Svirydzhenka 2016; Float or fix = exchange rate regime (floating, the green bar, versus fixed, the red bar); Income inequality = income inequality measures, the difference between the income share of the top 20 and bottom 20 percent income groups; KA openness = capital account openness index from the Chinn-Ito Index; Supervisory strict = measure of overall bank capital stringency from Barth, Caprio, and Levine 2013; Transparency = dummy variable indicating whether a credit registry or other form of borrower information data transparency exists.