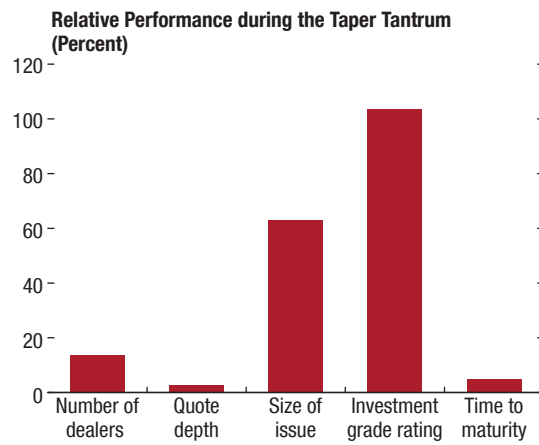


### Figure 2.3.1. Liquidity during the Taper Tantrum

Relative liquidity performance during the taper tantrum episode was better for bonds with more dealers, larger size, or better credit rating.



Sources: Markit; and IMF staff estimations.

Note: The figure shows the contribution of each factor to a non-financial corporate bond's liquidity performance during the taper tantrum episode. Liquidity is measured using Markit's liquidity score, which is a composite index of market liquidity. Solid columns mean statistical significance at least at the 10 percent level. See Annex 2.2.