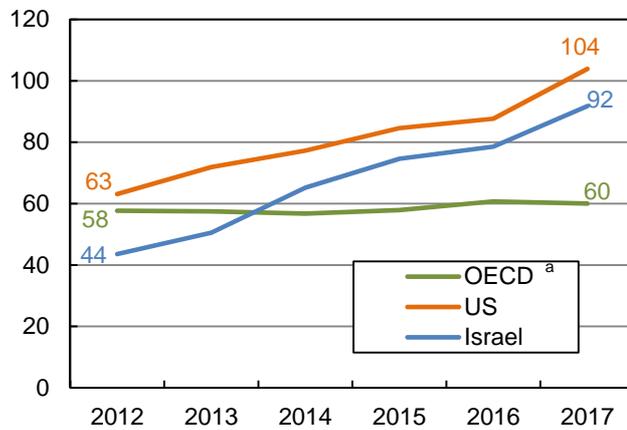


The capacity to cover expected credit losses improved significantly in recent years at the Israeli banks, and continues to improve.

Figure 10
Allowance for Credit Losses as a Share of Total Impaired Credit (Coverage Ratio), OECD Countries, 2012–17 (percent)



^a The OECD average does not include Finland, Luxembourg, Germany, Netherlands, Sweden, Japan, S. Korea, Latvia, or Switzerland due to lack of data. For the US it includes banks with assets that exceed \$10 billion.

SOURCE: US—FDIC; other foreign countries—IMF; Israel—based on published financial statements.