

# [Determinants of capital structure in developing countries](https://assignbuster.com/determinants-of-capital-structure-in-developing-countries/)

[Business](https://assignbuster.com/essay-subjects/business/)

TABLE I. Country Factors The total debt ratio is defined as total liabilities divided by total liabilities plusnet worth. The long-term book debt ratio is defined as total liabilities minus current liabilities divided by total liabilities minus current liabilities plus net worth. The long-term market debt ratio is defined as total liabilities divided by total liabilities plus equity market value. The asset tangibility is measured by total assets less current assets divided by total assets; return on assets is defined as earnings before tax divided by total assets; business risk is measured as the standard deviation of the return on assets; market-to-book ratio is the market value of equity divided by the book value of equity.
Nigeria
South Africa
Egypt
Algeria
Morocco
Total liabilities
9. 132B
Net worth
338. 1B
Current liabilities
52. 6M
Equity market value
5. 99B
Total assets
52. 6M
Current assets
580M
Standard Deviation of the return on assets
0. 28711
Market value of equity
$86. 35B
Book value of equity
$143. 9B