Determinants of capital structure in developing countries

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

Current assets