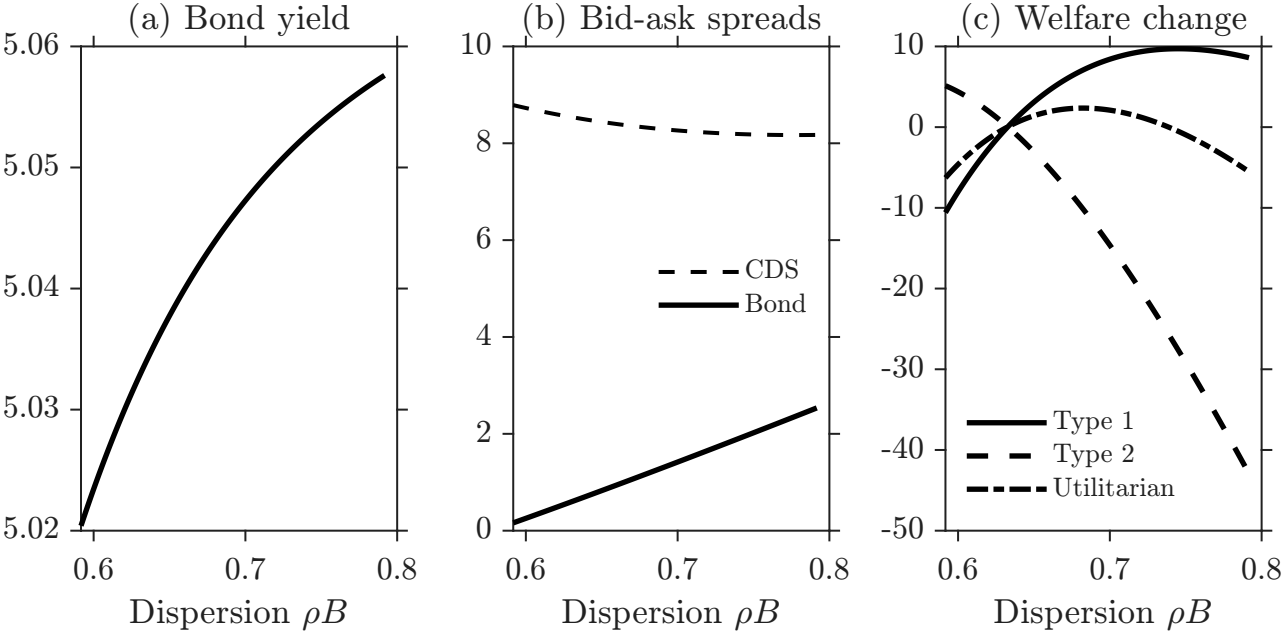
(a) Bond yield
5.06
5.05
5.04
5.03
5.02
0.6
0.7
0.8
Dispersion ρB
(b) Bid-ask spreads
10
8
6
4
2
0
CDS
Bond
0.6
0.7
0.8
Dispersion ρB
(c) Welfare change
10
0
-10
-20
-30
-40
-50
Type 1
Type 2
Utilitarian
0.6
0.7
0.8
Dispersion ρB