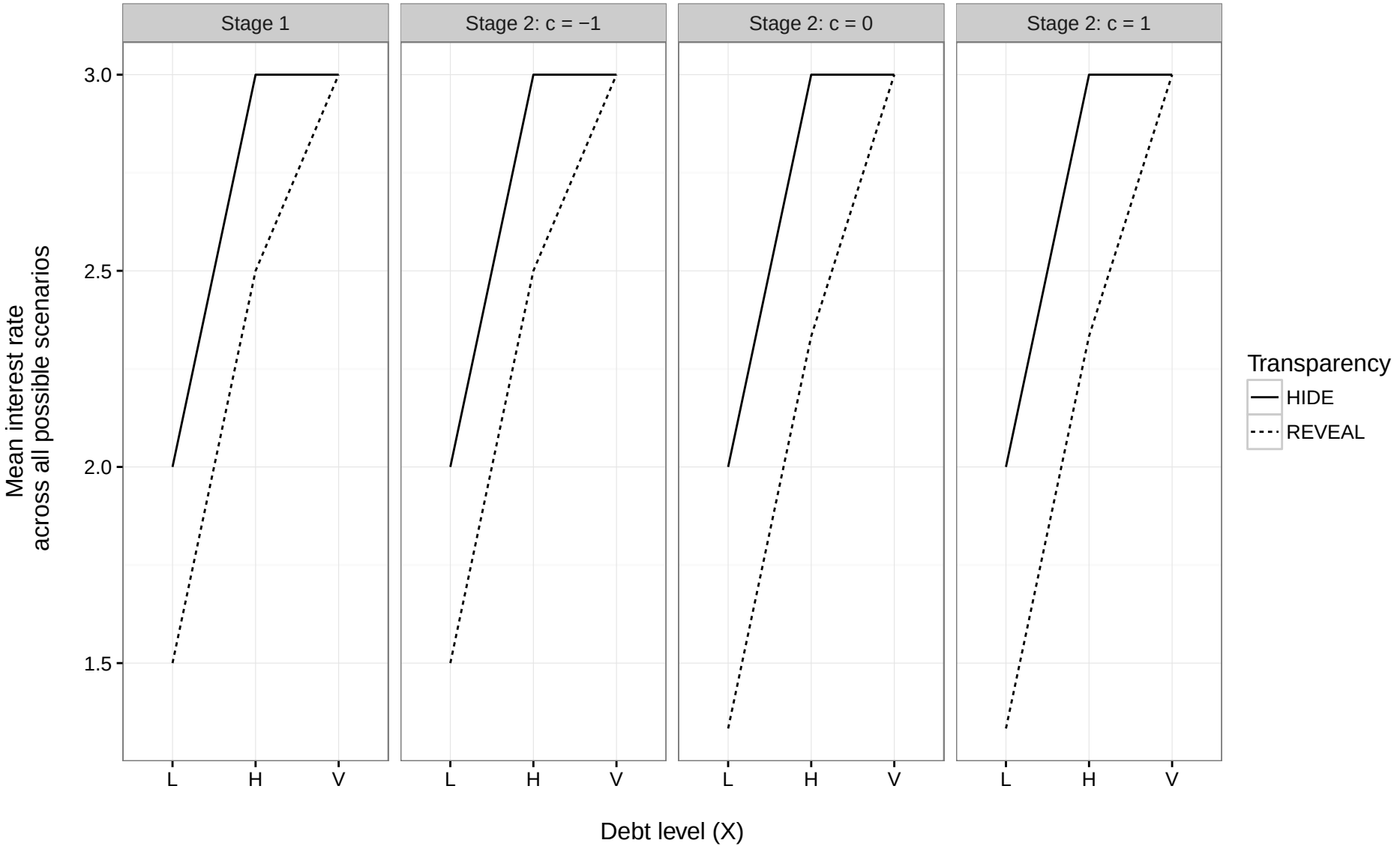
Stage 1
Stage 2: c = −1
Stage 2: c = 0
Stage 2: c = 1
Mean interest rate
across all possible scenarios
3.0
2.5
2.0
1.5
L
H
V
Debt level (X)
Transparency
HIDE
REVEAL