THE VALUE OF IMPROVEMENTS IN MEASURED CORPORATE GOVERNANCE QUALITY

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Abstract

This paper analyses data for Nordic listed companies in 2002-2008 to find out whether the market has rewarded companies that have improved their corporate governance systems as measured by the CG – quotient compiled by RiskMetrics (previously Institutional Shareholder Services, ISS). The paper also investigates which improvements have been more important as value enhancers and which ones are considered value irrelevant by the market. Finally the paper looks at whether there are differences between the four biggest Nordic countries in how different types of corporate governance improvements are perceived by the market.

Keywords: Corporate Governance, Market, Firm Valuation

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Introduction

The four largest Nordic countries, Denmark, Finland, Norway, and Sweden constitute an interesting group for corporate governance research purposes. The countries are similar in many respects, in particular in terms of average income and in the presence of a relatively large public sector, but on the other hand there are a number of institutional differences in terms of legislation and commonly accepted standards.[1] This paper investigates whether these differences are discernible in the way the local markets evaluate changes in corporate governance.

A large number of papers have been written about the relationship between corporate governance and firm valuation. The general idea is that by improving its corporate governance a firm will become more attractive to investors, and thus make investors willing to pay more for shares in that firm.

Early results on the relationship between different corporate governance quality indicators and firm valuation as well as firm performance, as surveyed e.g. by Hermalin & Weisbach (2003), produced mixed results. As discussed by Bhagat and Black (1999) and in Hermalin & Weisbach (2003) this is a likely consequence of the fact that corporate governance indicators for a firm cannot be regarded as exogenous variables that impact performance. On the contrary, when the performance of a firm deteriorates, the natural thing for the owners to do is to insist on improvements in the governance of the firm, with the aim to secure changes in how the firm is being managed, so that the negative trend could be reversed. For well performing firms, on the other hand, a change even in a faulty governance structure may be hazardous since some of the key persons behind the success may regard the proposed change as a sign of a lack of confidence in the management's loyalty towards the firm. In the worst case such suspicions may trigger an exodus to competing firms. For this reason it is not surprising that the observed relationship , in a cross section of firms, between the quality of governance in the firm and the firm's performance may even turn out to be negative.

An important observation in this context is that corporate governance systems have to be complex to manage the tasks that they should fulfil. Good governance will minimize losses produced by conflicts of interest between providers of key resources for the firm's operations, in particular conflicts between management and the providers of capital. Since successful management requires both talent and ambition a system that will channel these valuable characteristics towards goals that will be in the best interests of the capital providers have to be carefully crafted.

Failure to strike a proper balance in setting up the governance system will be costly in different ways: A governance system that is too lax will obviously allow the management to grab too large a share of the rents from the firm's operations. A too tightly controlled governance system, on the other

[1] For a recent survey see Thomsen (2010)

hand, may hamper the management's willingness to take on profitable, but risky, investment projects[2]. A rigid control system may also scare away potential talent from the firm, and thus benefit competitors, at the expense of this firm.

An optimal governance system has to be calibrated to avoid these opposite dangers. This requires fine-tuning. Characteristics that are likely to constitute drawbacks and characteristics that are likely to constitute advantages in this fine-tuning will be very difficult to pin point, not to mention measure, appropriately. Thus it comes as no surprise that all proposed measures of corporate governance quality have met with wide spread scepticism. In a recent study Daines, Gow and Larcker (2009) compare four different relatively well known measures of the quality of corporate governance for individual firms: the ones by Audit Integrity, by RiskMetrics (previously Institutional Shareholder Services), by GovernanceMetrics International, and by The Corporate Library. They conclude that "With the possible exception of ratings by Audit Integrity[3], we find that most ratings have either limited or no success in predicting firm performance or other outcomes of interest to shareholders."

Renders, Gaeremynck and Sercu (2010) using the Deminor Corporate Governance ratings for European companies, that is the companies included in FTS Eurofirst 300, in 1999-2003 find a significant positive relationship between the CG ratings and valuations as well as financial performance of the company after controlling for the selection problem as well as the endogeneity problem. Interestingly they find that the relationship is weaker in their sample countries with stronger investor protection than in the countries with weaker law based investor protection.

The corporate governance concept as such does not give any guidelines for appropriate measurement. Obviously good governance has many, more or less easily determined, dimensions, which in addition to posing the challenge of measuring quality differences in each of the dimensions, also requires that the relevant dimensions are appropriately weighted, and that any dependencies between the proposed measures for the dimensions are adequately handled.

The purpose of this paper is to evaluate the usefulness of the CGQ compiled by RiskMetrics as a measure of corporate governance quality on data that was not used by the initiators when the index was originally introduced. For this purpose we use data for Nordic firms. The CGQ scores for individual Nordic firms are used to test whether the basic predictions of what the relationship should be between improvements in corporate governance and changes in the market value of the firm holds true using this particular measure of corporate governance quality.

Any results that contradict the original hypothesis will allow for two different interpretations: the true relationship between CG quality and stock prices could be too weak to show up in the data, or the proposed measure, the CGQ index, does not measure corporate governance quality appropriately. Closer scrutiny of the results, in that case, will allow us to draw conclusions concerning the relative plausibility of these two competing explanations.

Data

The Corporate Governance Quotient (CGQ) is computed by Institutional Shareholder Services (ISS), a division of RiskMetrics. The quotient "evaluates the strengths, deficiencies and overall quality of a company's corporate governance practices and board of directors" and "is designed on the premise[4] that good corporate governance ultimately results in increased shareholder value." The CGQ is based on data in eight different categories: 1) board of directors (composition, independence), 2) audit, 3) charter and bylaw provisions, 4) anti-takeover provisions, 5) executive and director compensation, 6) progressive practices, 7) ownership, and 8) director education.

The CGQ index has been used in a number of studies that have tried to relate corporate governance quality to firm valuation and performance.

This paper use CGQ scores available for Companies listed on any of the four major Nordic stock exchanges, i.e. the exchanges in Copenhagen, Helsinki, Oslo and Stockholm. The number of firms in the data files provided by RiskMetrics vary from one year to another, the total number being 123 in the first file, a file that gives the situation in 2002, increasing to 159 in the last file, that gives the situation in 2008. To identify each firm we have used the firm identity code provided by RiskMetrics. The CGQ scores for a given firm will vary from one year to the next for two reasons: either there has been a change in the governance characteristics of the firm, e.g. the ownership may have become more dispersed, or a number other firms have changed their governance enough to push this firm down or up in its overall ranking.

For our analysis we have selected all firms that were present in the CGQ files throughout the period, which left us with 101 firms, 20 listed in Copenhagen as the main exchange, 25 in Helsinki, 16 in Oslo, and 40 in Stockholm[5].

[2] For an elaboration of this argument see: Burkhart, M., Gromb, D. and Panunzi (1997).

[3] "The Audit Integrity Accounting and Governance Risk (AGR®) rating is a forensic measure of the transparency and statistical reliability of a corporation's financial reporting and governance practices." http://www.auditintegrity.com/methodology.html.

[4] Institutional Shareholder Services. 2003. ISS Corporate Governance: Best Practices User Guide & Glossary, 2003.

[5] The omission of firms that haven't been ranked by RiskMetrics throughout the period may result in a selection bias. There is no clear cut justification for assuming that the

The average CG scores for each country and each of the years included in the data provided by RiskMetrics are depicted in Figure 1. As can be seen in the figure there is a suspicious drop in the average ranking for the second data year. So far we haven't been able to find a plausible explanation for this drop.

Year-to-year changes in the CGQ rankings are likely to contain substantial noise. The actual change does not take place exactly when it is registered by ISS/Riskmetrics. Some changes may go unnoticed, and rankings may have changed simply because new firms exit or enter the database. The conjecture that the change in the CGQ ranking over the whole period, that is from the first to the last year, should be fairly accurate is based on the fact that pure noise caused by random factors should exhibit a tendency to cancel over the years while any systematic impact from changes in governance related indicators should continue to have an impact throughout the rest of the sample period. In this paper we will thus focus on changes from the first year in the data, that is 2002, to the last year which is 2008.

The cross sectional distribution of the changes in the CGQ scores for all firms in our sample over the 2002-2008 period is depicted separately for each of the four countries in Figure 2. As can be seen from the figure, Denmark, and Norway have suffered from a drop in the CGQ rankings while Finnish and Swedish firms have experienced an improvement. The difference between Sweden and Norway as well as Sweden and Denmark is statistically significant, while the difference between Sweden and Finland as well as Denmark and Norway is not.

The exact relationship between the CGQ rankings and the changes in corporate governance practices is reported by RiskMetrics. It is thus possible to investigate for which categories changes have been more frequent and for which categories the Nordic firms in the sample have experienced almost no changes at all.

Table 1 below lists the 58 separate categories on which the CGQs are based. Each category is covered by several indicator variables.[6] Riskmetrics use a weighting scheme to aggregate the individual indicator variables in each category into a raw score, and the raw scores are then summed up. The index CGQ is then based on how the raw score for the company ranks globally when all firms in the sample are compared.

To measure for which categories most of the changes have taken place over the 2002-2008 we used the raw scores given by RiskMetrics that we summed for each category. We simply took the difference between the raw score for each category for the last year i.e. the one for 2008 and computed the difference between that score and the one for 2002. If there is no change in a particular indicator variable between the last year and the first year a value of zero will be recorded for that indicator. If there is a change, on the other hand, it can be either a plus, or a minus one. Categories for which no changes were recorded by RiskMetrics for the Nordic shares in our sample were omitted from further analysis. Appendix A contains a list of omitted categories.

The average changes and their standard deviations are given in Figure 3. As can be seen from the red bars in the Figure most of the changes in the CGQ index scores have on an average been for the better over the sample period, but then there are some categories for which an obvious deterioration has occurred. Prime among those is the drop in having the board being elected annually. A large part of this drop is explained by Swedish firms for which the raw score on annual board election dropped from 6.6 in 2003 to -2.4 in the following year, a level at which it remained for all consecutive years. On a separate inquiry into the reasons for this RiskMetrics has admitted that it is a mistake, no corresponding changes have taken place in the board member election principles for Swedish firms.

The most visible improvement in the governance scores has occurred for expensing of executive stock options. In the wake of the Enron scandal in the USA in particular, the requirement that the actual expected costs of issued executive options should be properly booked as an expense for shareholders gained support around the world.

Another notable change is for shareholders' rights to call special meetings, where RiskMetrics has recorded an improvement. Notable is also the change in the use of dual class shares. Since the separation of control and cash flow rights usually is regarded as negative for small shareholders a number of cases where dual share classes have been merged into one share class with equal voting rights is rightly booked as an improvement. The large dispersion in this variable comes from the fact the change produces a substantial change in the raw score for the firm in which the change has taken place. In most firms there is no change, though. Hence the large cross-sectional dispersion.

omitted firms would have been subject to a different type of relationship between their corporate governance improvement and change in value, however.

[6] For some of the categories the indicator variables are very close to linearly dependent. As an example if a category is covered by just two indicator variables the second one can very closely approximate one minus the first variable.

Figure 1. Average annual CGQ rankings for all firms in the sample per country

Year 1 stands for 2002 and 7 for 2008

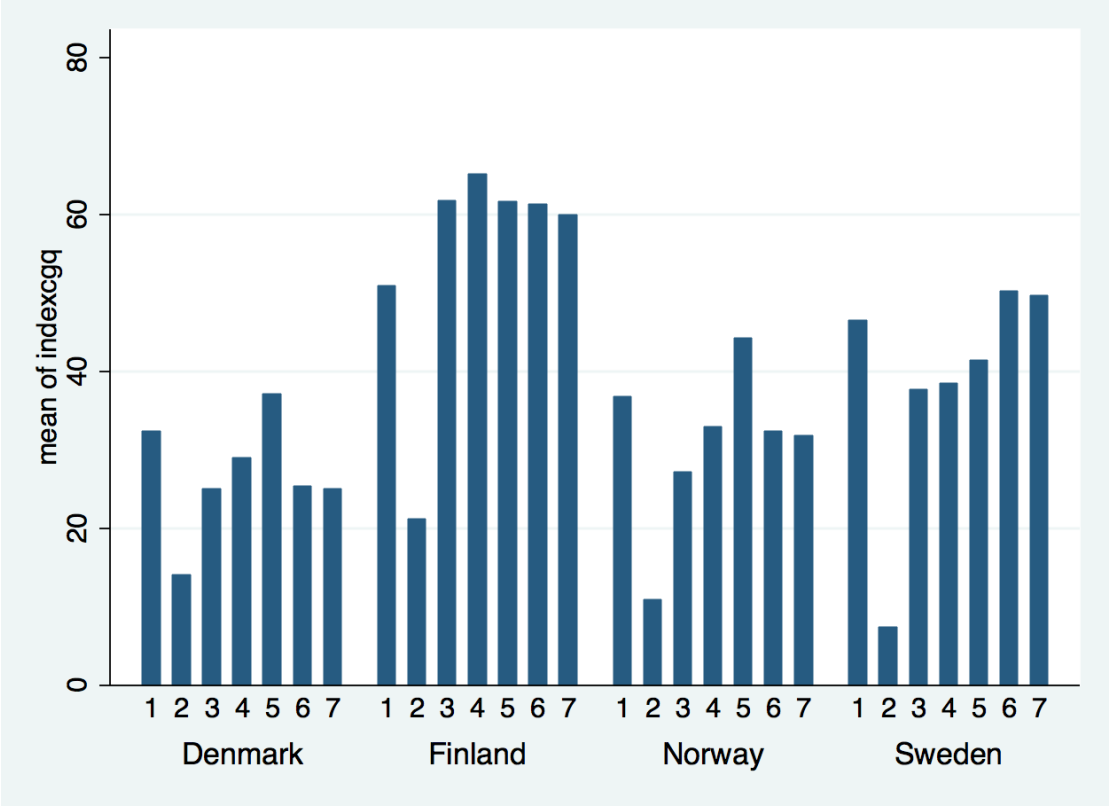


Figure 2. The distribution of changes in the CGQ scores for each of the four countries from 2002 to 2008

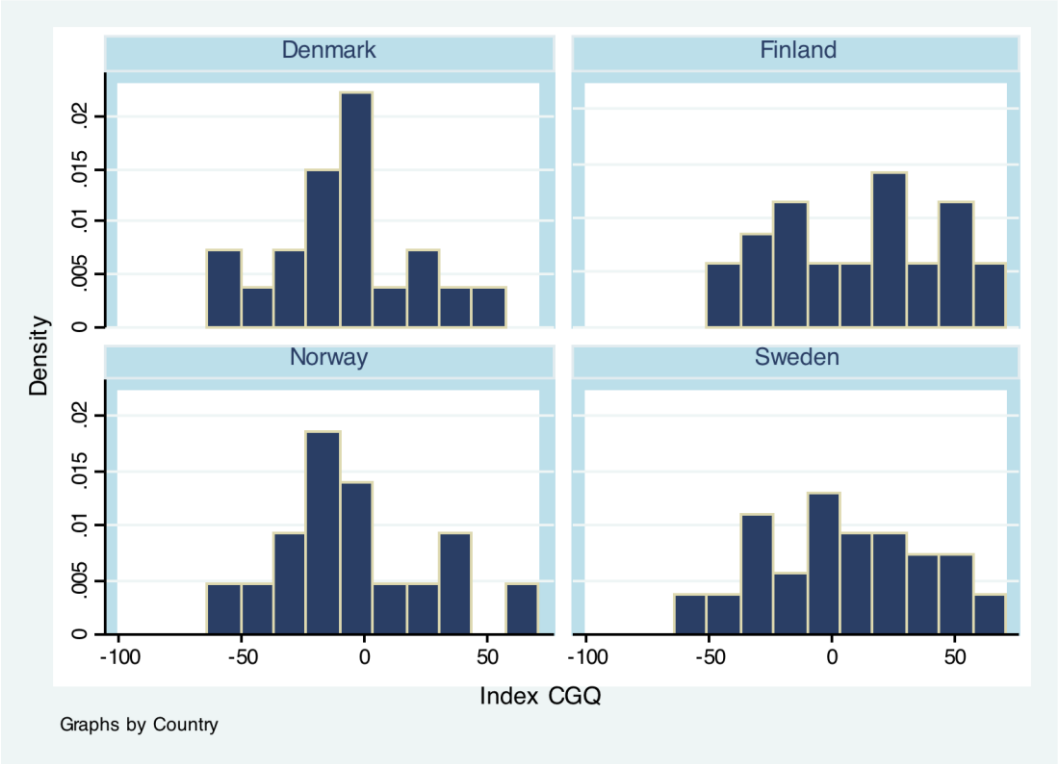


Table 1. List of categories of characteristics covered by the CGQ index. Three of the original categories that describe the legal system are left for lack of any changes in our data for those categories

Board composition
Nominating committee composition
Compensation committee composition
Audit committee composition
Governance committee composition
Board structure
Board size
Cumulative voting
Boards served on
Former CEOs
Chairman/CEO separation
Stock ownership
Board guidelines
Poison pill adoption
Amendment to the charter/bylaws
Approval of mergers
Written consent
Special meetings
Board amendments
Capital structure
Poison pill features - TIDE provision
Anti-takeover provisions
Acquisition Statute
Cash-out statute
Freeze out statute
Fair Price Provision
Stakeholder laws
Endoresement of poison pills
ISS Vote Based on Plan Cost
Option repricing
Shareholder Approval of Stock-incentive Plans
Stock Ownership Guidelines for Executives
Committee interlocks
Director Compensation
Pension Plans
Mandatory Retirement Age for Directors
Term Limits
Board Performance Reviews
Outside Directors Meet without CEO
CEO Succession Plan
Outside Advisors
Directors Resignation
Officers and Directors Ownership
Director Education
Withhold Votes
Board Composition and Ownership
Proxy Contest Defenses
Change Board Size
Board Attendance
Board Vacancies
Boards Served on - Other than the CEO
Related Party Transaction
Option Expensing
Option Burn Rate
Corporate Loans
Audit Fees
Audit Rotation
Audit Ratification

Figure 3. Average changes in raw CGQ scores for all categories in which changes were recorded for Nordic companies over the sample period

Red bars denote average changes for all firms in the sample, while blue bars stand for cross sectional standard deviations for these changes

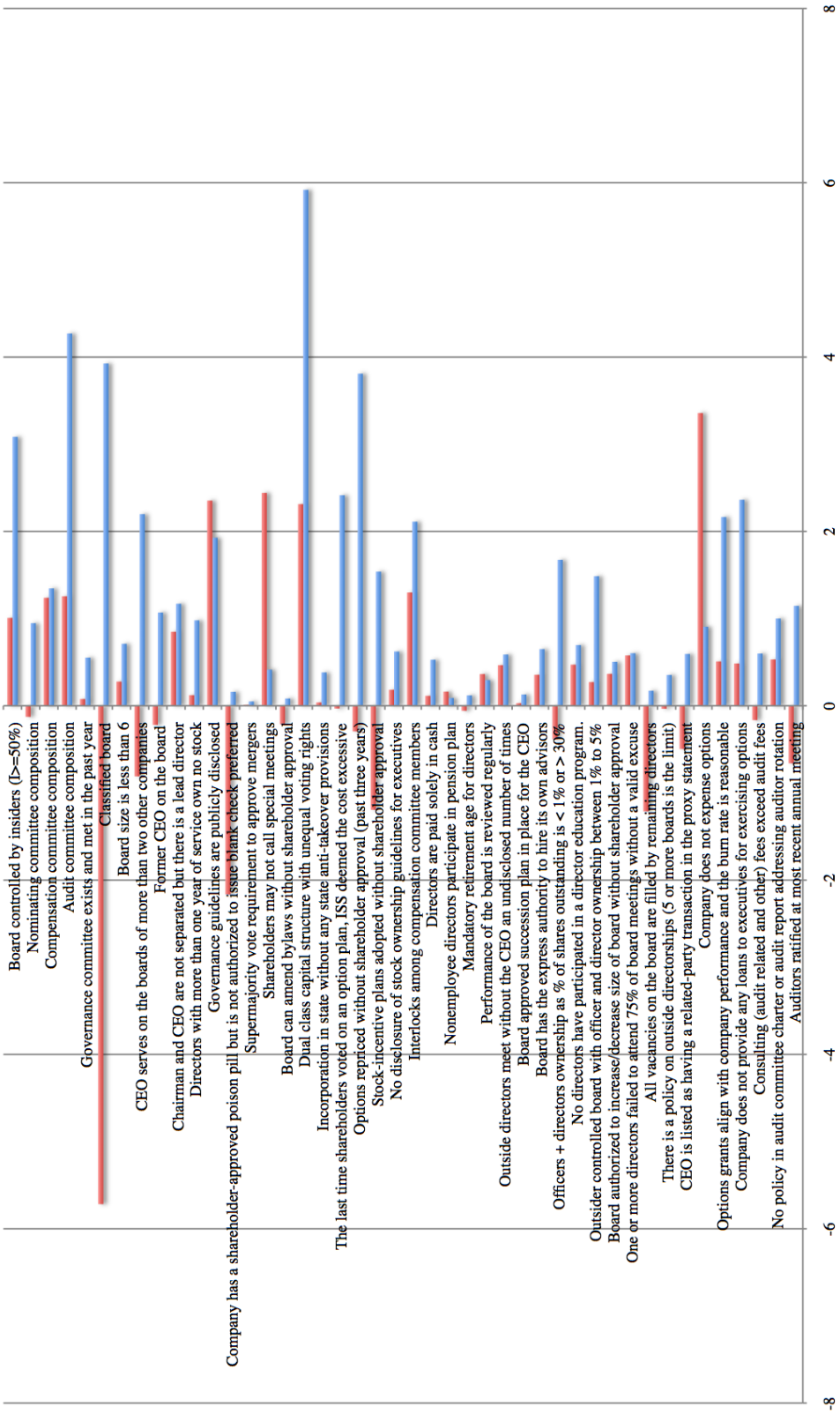


Figure 4 gives the raw scores for each category per country. As can be seen from the graph there is a clear correlation between the changes that have taken place over the sample period between the Nordic countries. It is also clear that the most notable changes have happened in the same direction for all countries. Exceptions are the mysterious deterioration for Swedish firms concerning classified boards, dual class shares, where the changes have taken place in Finland and Sweden, and option repricing where Danish firms score a large drop while firms in the other countries have predominantly improved in that dimension.

The cross sectional correlation coefficients between the countries are reported in Table 2. The correlation coefficients in Table 2 measure the extent to which average raw scores for each country have changed in the same direction. As can be seen in the table Sweden and Finland exhibit a much higher correlation, amounting to 0.84, than the rest of the countries. The second highest correlation is the one between Denmark and Norway. The lowest correlation is observed for Norway and Sweden.

Table 2. Cross sectional correlation coefficients between the four largest Nordic countries for changes in raw scores for the categories in the CGQ index from 2002 to 2008

	Denmark	Finland	Norway	Sweden
Denmark	1.00			
Finland	0.40	1.00		
Norway	0.66	0.46	1.00	
Sweden	0.49	0.84	0.32	1.00

Our next step is to find out whether the changes in corporate governance seem to have anything to with what has happened to the market value of the companies in our sample, and whether there are any country specific elements in these valuation impacts.

Total shareholder returns

Improvements in corporate governance may benefit shareholders in two different ways: 1. The improvements may lead to improved operative performance that will produce a better return on assets invested in the company, and 2. Investors may be willing to pay a higher price for the share for any given level of operative performance because they believe that the likelihood of the management giving in to moral hazard at some point is lower than in the past thanks to the governance improvement. The favourable impact should in both cases make investors willing to pay a higher price for shares in the firm.

The first step in the analysis was to see whether a change in the CGQ ranking for an individual firm was positively correlated with the return to shareholders in the same firm over the 2002-2008 period. In addition to any changes in the price of the share over the sample period dividends that accrued to a shareholder who owned the share must be taken into account. The data that we used was the return index provided by Bloombergs, where dividends are assumed to be reinvested into the stock at a price that equals the closing price on the first day when the share trades without the dividend.

A graph of the distribution of the total returns per country is given in Figure 4. The return for an individual firm is the difference in the logarithm of the dividend-adjusted price at the end of the period minus the logarithm of the price at the beginning of the sample period.

The centre of this cross-sectional return distribution is well in the positive region with an average of .3738 and a cross sectional standard deviation of .8882. The average return corresponds to an annual average return of approximately 5.5 %. The relatively low average reflects the fact that the return period ends at the end of 2008 when the stock markets around the world were close to the through caused by the financial crisis.

The country specific return distributions are given in Figure 5. The relatively small number of Danish and Norwegian firms makes the distributions more erratic for those countries. However, it is quite clear that the cross sectional distribution is much more dispersed for the Norwegian firms than for the rest of the countries.

Figure 4. Changes in raw scores for the different categories in the CGQ index per country

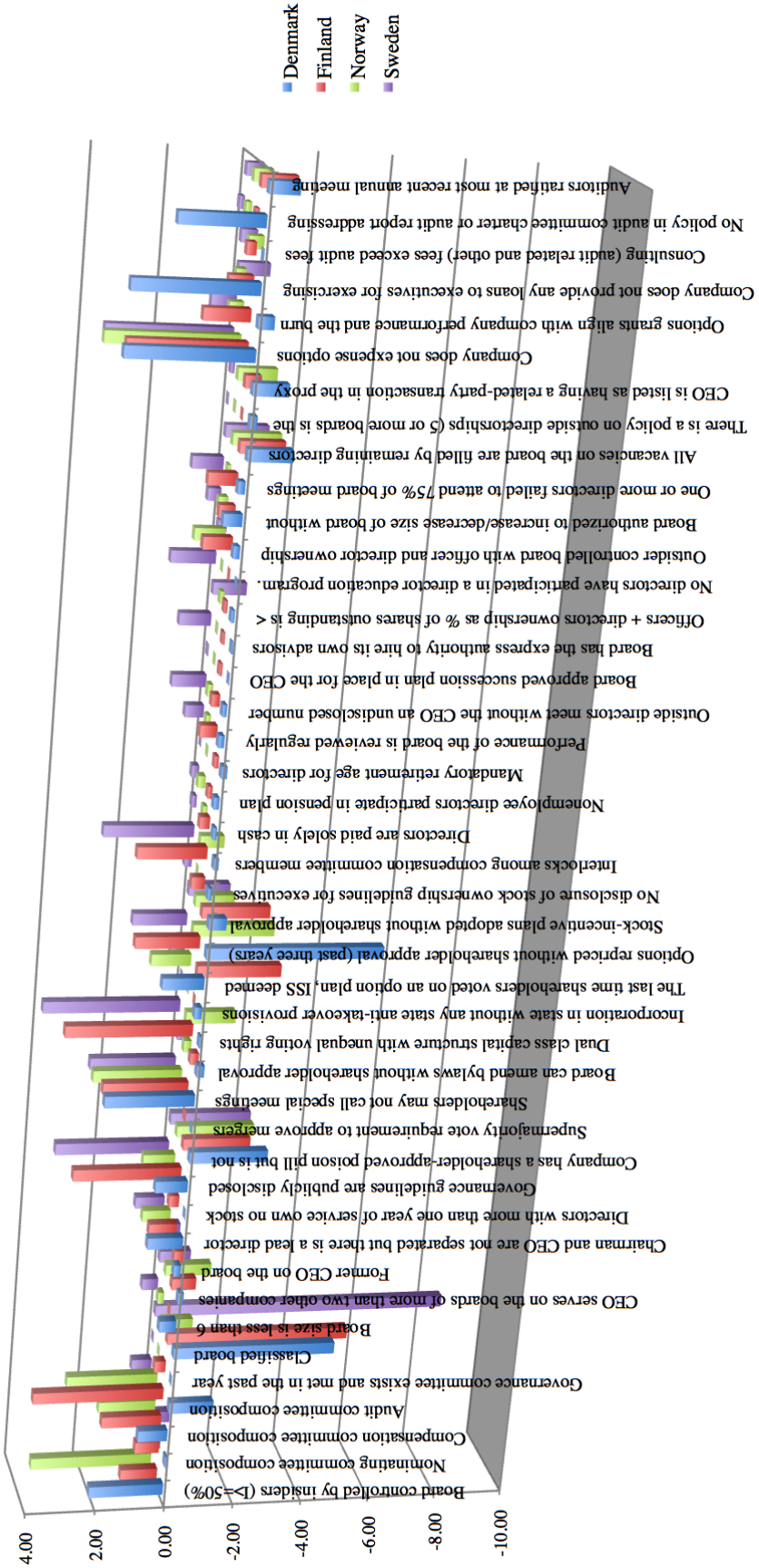


Figure 4. Logarithmic returns of all firms included in the sample over the whole sample period

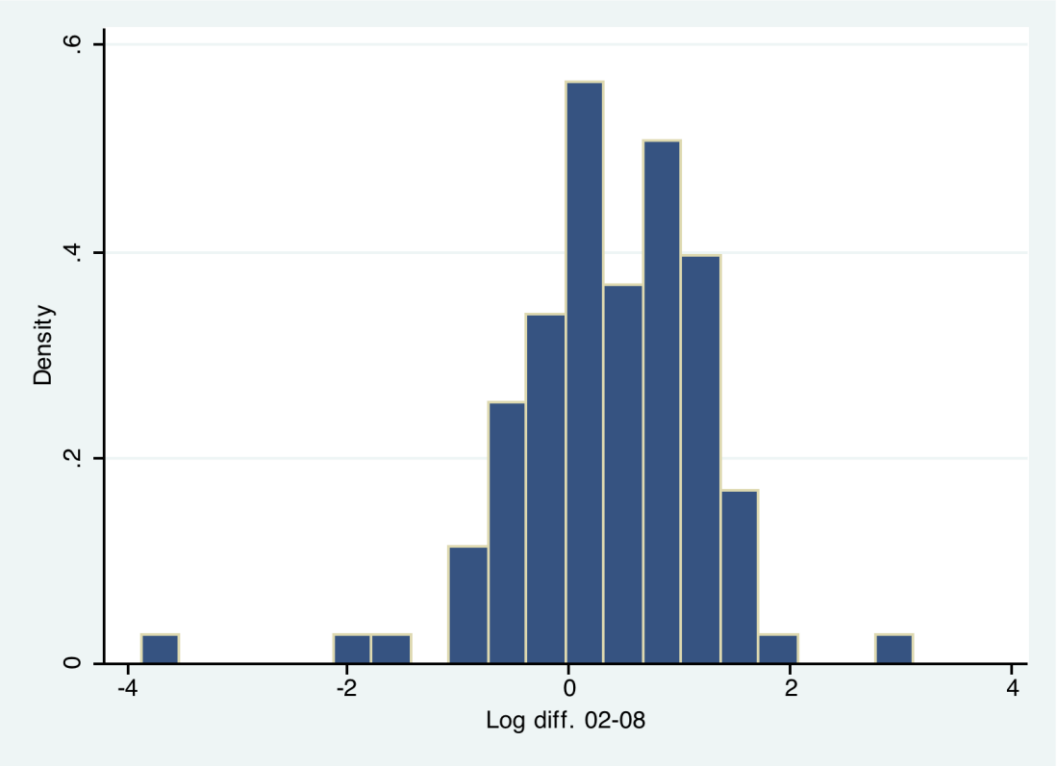
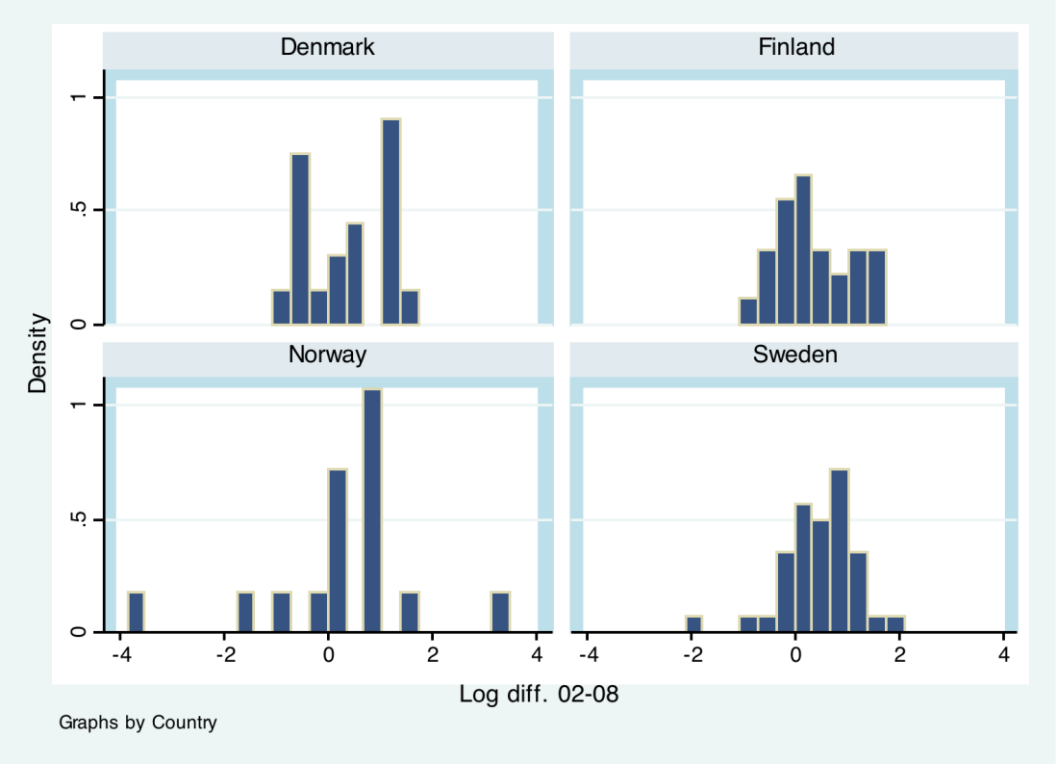


Figure 5. Logarithmic returns per country of all firms included in the sample over the whole sample period



When regressing the total returns on dummies for all the four largest Nordic countries except Sweden the following result was obtained:

Table 3. Regression of logarithmic returns on country dummies

The constant gives the average return for Sweden

Dependent variable: change in the natural logarithm of the dividend adjusted share price over the sample period				
Dummy for:	Denmark	Finland	Norway	/constant
Coeff.estimate:	-0.129	-0.108	-0.219	0.461
t-ratio:	-0.52	-0.48	-0.82	3.24
P-value:	0.607	0.634	0.412	0.002
Adjusted R^2: 0.01				

The results in Table 3 reveal that the Swedish firms in the sample had a higher return than the firms from the other Nordic countries. However, the differences are not large enough to be statistically significant.

Do shareholder returns reflect CG changes?

To find out whether improved governance as measured by RiskMetrics/ISS actually resulted in a better return to shareholders the following simple regression was estimated:

$$return_i = \alpha + \beta \cdot \Delta CGQ_i + \varepsilon_i$$

where the return is:

$$return_i = \ln(\text{div.adj.stockprice for firm i at end of 2008}) - \ln(\text{stockprice for firm i at beg. of 2002})$$

and ΔCGQ_i is the change in the CGQ index score from the CGQ index file last updated at the end of 2003 to the CGQ index file last updated at the end of 2008 for firm i. e_i denotes the error term for firm i.

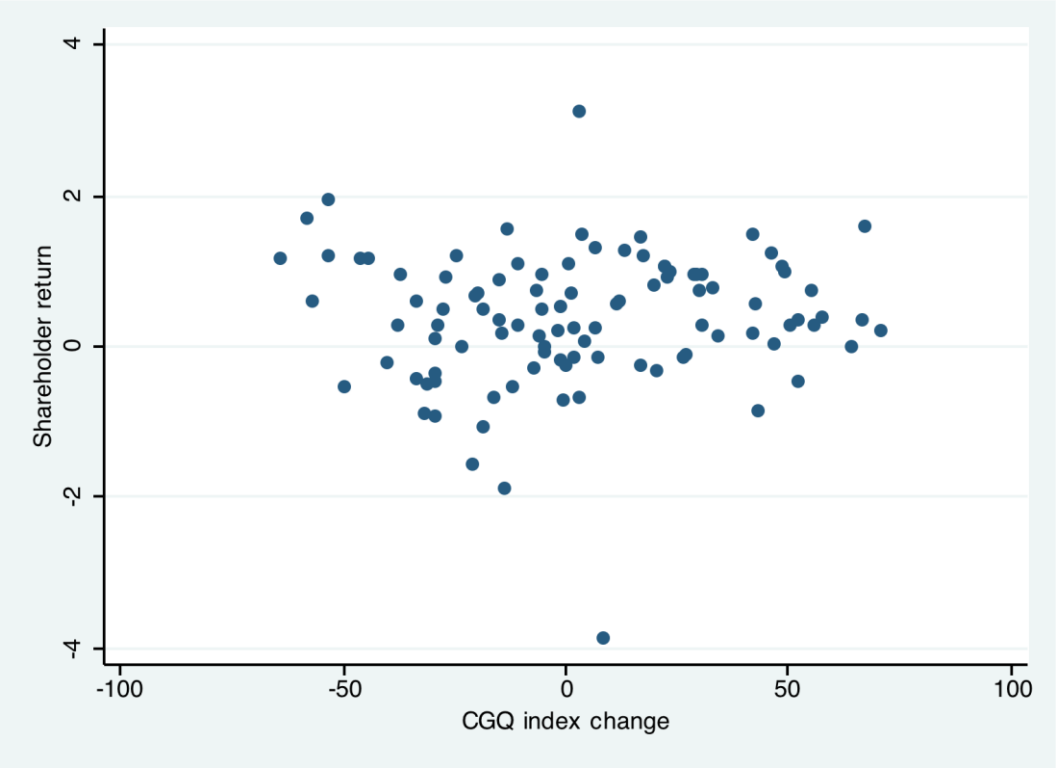
The estimation result for the regression was:

$$return = 0.37 + 0.0014\Delta CGQ, \; R^2 = 0.0025$$
$$(4.15) \quad (0.50)$$

where t-ratios are reported in parenthesis.

Rather disappointingly there doesn't seem to be any relationship between governance improvements as measured by RiskMetrics and the returns to shareholders for the firms in which the changes took place. The scatter plot of returns against changes in the index CGQ scores are given in Figure 6.

Figure 6. Shareholder returns for the 101 firms in the sample over the 2002-2008 sample period plotted against changes in CGQ scores for these firms. Shareholder returns are measure as the change in the natural logarithm of the dividend adjusted share price over the sample period



In order to check whether this lack of relationship could be due to country specific differences the above regression was augmented with country dummies. The results are reported in Table 4.

Table 4. Regression of logarithmic returns over the sample period on the change in the firm specific CGQ index and country dummies

The constant gives the average return for Sweden given no change in the CGQ index

	indexcgq	Dummy for Denmark	Finland	Norway	/cons
Coeff.estimate	0.0012	-0.12	-0.12	-0.21	0.46
t-ratio	0.43	-0.46	-0.51	-0.78	3.18
P-value	0.67	0.65	0.61	0.44	0.00
Adjusted R^2:	0.0092				

The fundamental relationship between the change in the CGQ index and shareholder returns is not significantly affected by the introduction of country dummies.

One may argue that the lack of CGQ improvements for the Danish and Norwegian firms could bias the results towards zero for the Finnish and Swedish firms that improved their CGQ scores on an average. To see whether this seems to be the case the following model was estimated:

$$return_i = \alpha + \beta \Delta CGQ_i + \alpha_F D_{F,i} + \beta_F \Delta CGQ_i D_{F,i} + \alpha_S D_{S,i} + \beta_S \Delta CGQ_i D_{S,i} + \varepsilon_i$$

Where the D:s are dummy variables taking the value 1 for Finland, in case the subscript is F, and 1 for Sweden if the subscript is S. The α:s with subscript stands for the deviation in the intercept from the first α and the β:s with subscript from the slope in the second term on the right side of the equality sign. The results are reported in Table 5.

Table 5. Regression results when allowing the market reaction for Finland and Sweden to differ

The coefficients for FinCGQ and SweCGQ measure how much the market reaction for firms in Finland and Sweden respectively differ from the overall slope of -0.0074

	indexcgq	Finland	FinCGQ	Sweden	SweCGQ	cons
Coeff.estimate	-0.0074	-0.017	0.0173	0.201	0.0090	0.253
t-ratio	-1.49	-0.07	2.41	0.97	1.37	1.68
P-value	0.139	0.942	0.018	0.333	0.174	0.097
Adjusted R^2:	0.066					

As can be seen from the adjusted R^2:s in Table 5 the statistical results are not that strong. Interestingly enough the slope coefficients for Finland as well as Sweden are clearly positive, the one for Finland being even statistically significant on a 5% level, while the overall slope coefficient has turned negative.

A plausible explanation for a difference between the results for Finland and Sweden and those for Denmark and Norway, may be found in differences in foreign ownership between the countries. As can be seen in the Table in Appendix B foreign owners owned on an average some 56 % of Finnish listed firms in the sample period while the corresponding number for Danish and Norwegian shares was a little above 30 %. For Sweden the figure was somewhat below 36 %. Since ISS and RiskMetrics have a background in the USA it is understandable if US institutional investors, that carry a large weight in the group of foreign owners in the Nordic countries, pay more attention to the rankings that RiskMetrics provide than domestic investors in these countries do. The share price reactions in particular in the Finnish case may thus reflect an increased willingness by these investors to buy shares in firms that have demonstrated a willingness to adopt governance principles classified as good by RiskMetrics.

The next step in our analysis was to break down the changes in the rankings into the specific dimensions in which the largest changes have taken place in our sample period. The analysis of the shareholder return impact of changes exclusively in those categories underlying the CGQ index that were subject to the largest changes in our sample period did not produce encouraging results. The results from these simple regressions are reported in Table 6.

Table 6. Results of simple regressions of shareholder returns on the largest average raw score changes in the CGQ files over the sample period (2002-2008)

	Coeff.	t-ratio	P>|t|	Constant	t-ratio
Classified boards	-0.033	-1.49	0.14	0.182	1.17
Dual class shares	0.016	1.07	0.29	0.338	3.57
Public governance guidelines	0.031	0.68	0.50	0.300	2.14
Shareholder-approved poison pill	-0.198	-0.36	0.72	-0.054	-0.05
Shareholders may not call special meetings	-0.115	-0.54	0.59	0.654	1.24
Option expensing	0.039	0.38	0.71	0.240	0.66

Since the CGQ scores are assigned so that a higher value always implies better governance we would expect all estimated coefficients to be positive. The category that comes closest to being significant is the coefficient for classified boards. However, the coefficient has the wrong sign[7]. The reason for this is that the classified board variable changed for the worse mainly for Swedish firms. Since Swedish firms performed better on average the variable simply picks up this fact.

The estimated coefficients for the Dual class shares variable, presence of Public governance guidelines and Option expensing in Table 6, received the expected sign at least. All of them are statistically insignificant, though. Regressions with all the explanatory variables included at the same time did not drastically alter the results[8].

The fact that the results for the specific characteristics on which the rankings are based turned out to be insignificant strengthens the conclusions based on the CGQ index in total since no particular characteristic used in the overall ranking seems to be driving the results. Many, though not necessarily all, of the characteristics measured contribute to the result.

[7] As discussed on p.7 this is the result of a mistake at RiskMetrics.

[8] The results are available on request from the author.

Conclusion

This paper sets out to investigate whether there is a positive relationship between shareholder returns and corporate governance improvements as measured by the CGQ-index provided by RiskMetrics/ISS. The analysis reveals that a number of changes, mostly improvements, have taken place during the sample period 2002-2008 in the Nordic firms that have been covered by the CGQ-rankings throughout the period. The CGQ indexes have improved more for Finnish, and Swedish firms than for Danish, and Norwegian.

However our results indicate that these improvements have gone largely unnoticed by the stock market. As such these results are in line with those obtained by Daines, Robert, Ian D. Gow, and David F. Larcker, (2009) for CGQ indexes of US firms. These results hold not only for changes in the CGQ index as such but also for specific changes in the individual categories that the index consists of.

The most promising results were obtained when the reactions for Finnish and Swedish firms were separated from the reactions of the other two Nordic countries in the sample. When this was done the shareholder returns in particular on CGQ-index score improvements for Finnish firms turned out to be more favourable than for Danish and Norwegian firms.

In spite of the generally quite weak results in this study, any conclusions that corporate governance improvements would be unimportant from investors' point of view cannot be drawn from these results. In the detailed analysis of the data a number of questionable details were uncovered, that point to measurement issues that are likely to reduce the information value of the reported company specific CGQ scores. The results of this rather limited investigation should thus be taken as an indication that we still have a long way to go in trying to set up a scoring system that would adequately measure corporate governance quality.

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Appendix A: Left-out RiskMetrics CGQ Classification Categories

Categories in the RiskMetrics CGQ classification system not used in this analysis because of lack of changes in over the sample period in the sample used.

Category:

Cumulative voting
Amendment to the charter/bylaws
Written consent
Poison pill features - TIDE provision
Acquisition Statute
Cash-out statute
Freeze out statute
Fair Price Provision
Stakeholder laws
Endoresement of poison pills
Term Limits
Directors Resignation
Withhold Votes
Proxy Contest Defenses

Appendix B: Foreign ownership of Nordic shares

Table B1. Percentage of listed shares in the sample period owned by non-residents in the country. Sources: Bank of Finland, Danmarks nationalbank, Oslo Børs, Statistics Sweden[9]

Year	Sweden	Norway	Denmark	Finland
2002	33.5	27.0	29.6	62.6
2003	33.1	27.8	29.0	53.7
2004	33.9	32.8	28.9	49.0
2005	35.3	37.1	26.3	50.9
2006	37.2	39.7	26.9	50.1
2007	38.0	40.8	26.9	61.6
2008	35.8	32.8	31.1	56.1
Average	*35.8*	*32.8*	*31.1*	*56.1*

[9] Help with data from Truls Evensen (Oslo Børs) and Per-Olof Bjuggren (Swedish data) is gratefully acknowledged.