

Empirics of Korean Shipping Companies' Default Predictions

Supplementary Materials

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Table S1. A Correlation Matrix for the Seven Variables

	X1	X2	X3	X4	X5	X6	X7
X1	1.00						
X2	−0.02	1.00					
X3	0.33 ***	−0.04	1.00				
X4	0.04 *	−0.03	0.01	1.00			
X5	−0.19 ***	0.05	−0.06 **	−0.14 ***	1.00		
X6	0.01	−0.05	0.90 ***	0.01	−0.03	1.00	
X7	0.02	−0.01	−0.01	−0.01	−0.01	−0.03	1.00

Note: X1 = ratio of income to total assets; X2 = ratio of operating income to sales; X3 = ratio of interest expenses to liabilities; X4 = current ratio; X5 = debt ratio; X6 = ratio of freight income to chartering cost; and X7 = ratio of chartering cost to sales. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table S2. Wald Chi-Square Test

	Wald Chi-Square	P
X1	5.76 **	0.02
X2	7.68 **	0.01
X3	5.21 **	0.02
X4	4.40 **	0.04
X5	61.11 ***	0.00
X6	0.00	0.97
X7	7.64 **	0.01

Note: X1 = ratio of income to total assets; X2 = ratio of operating income to sales; X3 = ratio of interest expenses to liabilities; X4 = current ratio; X5 = debt ratio; X6 = ratio of freight income to chartering cost; and X7 = ratio of chartering cost to sales. * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$.

Table S3. Bivariable Correlation Analysis ($\rho = \text{corr}(A, B)$)

<i>A</i>	<i>B</i>	ρ
X1	X2	0.33
	X3	−0.02
	X4	0.04
	X5	−0.19
	X6	0.02
	X7	0.01
X2	X3	−0.04
	X4	0.01
	X5	−0.06
	X6	−0.01
	X7	0.70
X3	X4	−0.03
	X5	0.05
	X6	−0.01
	X7	−0.05
X4	X5	−0.14
	X6	−0.01
	X7	0.01
X5	X6	−0.01
	X7	−0.03
X6	X7	−0.03

Note: This table displays correlation coefficients(ρ) between explanatory variables. X1 = ratio of income to total assets; X2 = ratio of operating income to sales; X3 = ratio of interest expenses to liabilities; X4 = current ratio; X5 = debt ratio; X6 = ratio of freight income to chartering cost; and X7 = ratio of chartering cost to sales.