Table 2 – Capital Cost Descriptive Statistics

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Variable** | **Obs** | **Average** | **Standard Deviation** | **Min** | **Max** |
| **Total Period – 2004 - 2013** | | | | | |
| Ke | 1325 | 12.18% | 3.91% | 6.41% | 52.44% |
| BETA | 1325 | 0.75 | 0.60 | 0.01 | 6.15 |
| Rf | 1325 | 3.29% | 1.00% | 1.78% | 4.71% |
| Rm | 1325 | 8.39% | 15.55% | 6.65% | 10.93% |
| USA Inflation | 1325 | 2.36% | 1.27% | -0.35% | 3.83% |
| Brazil Inflation | 1325 | 4.95% | 1.26% | 2.53% | 6.56% |
| Brazil risk | 1325 | 2.66% | 1.00% | 1.81% | 5.42% |
| **Prior Period – 2004 - 2007** | | | | | |
| Ke | 471 | 10.38% | 5.22% | 6.41% | 52.44% |
| BETA | 471 | 0.25 | 0.48 | 0.01 | 6.15 |
| Rf | 471 | 4.32% | 0.25% | 4.04% | 4.71% |
| Rm | 471 | 10.05% | 0.62% | 9.41% | 10.93% |
| USA Inflation | 471 | 3.03% | 0.27% | 2.67% | 3.39% |
| Brazil Inflation | 471 | 4.38% | 1.35% | 2.53% | 6.56% |
| Brazil risk | 471 | 3.15% | 1.38% | 1.81% | 5.42% |
| **Partial Adoption Period – 2008 - 2009** | | | | | |
| Ke | 341 | 14.61% | 2.41% | 9.37% | 29.61% |
| BETA | 341 | 1.07 | 0.56 | 0.24 | 5.95 |
| Rf | 341 | 3.04% | 0.80% | 2.25% | 3.85% |
| Rm | 341 | 8.30% | 1.31% | 6.98% | 9.61% |
| USA Inflation | 341 | 1.74% | 2.10% | -0.03% | 3.83% |
| Brazil Inflation | 341 | 4.91% | 1.25% | 3.65% | 6.16% |
| Brazil risk | 341 | 3.03% | 0.02% | 3.01% | 3.06% |
| **Mandatory Adoption Period – 2010 - 2013** | | | | | |
| Ke | 513 | 12.23% | 1.97% | 7.97% | 21.45% |
| BETA | 513 | 0.99 | 0.38 | 0.12 | 2.97 |
| Rf | 513 | 2.51% | 0.68% | 1.78% | 3.30% |
| Rm | 513 | 6.94% | 0.31% | 6.65% | 7.40% |
| USA Inflation | 513 | 2.15% | 0.68% | 1.46% | 3.15% |
| Brazil Inflation | 513 | 5.49% | 0.88% | 3.87% | 6.39% |
| Brazil risk | 513 | 1.96% | 0.07% | 1.84% | 2,05% |

*Source: Created by the authors*