

PREFACE

The *Global Financial Stability Report* (GFSR) assesses key risks facing the global financial system with a view to identifying those that represent systemic vulnerabilities. In normal times, the report seeks to play a role in preventing crises by highlighting policies that may mitigate systemic risks, thereby contributing to global financial stability and the sustained economic growth of the IMF's member countries. Although global financial stability has improved, the current report highlights how risks have changed over the last six months, traces the sources and channels of financial distress, and provides a discussion of policy proposals under consideration to mend the global financial system.

The analysis in this report has been coordinated by the Monetary and Capital Markets (MCM) Department under the general direction of José Viñals, Financial Counsellor and Director. The project has been directed by MCM staff Jan Brockmeijer, Deputy Director; Peter Dattels and Laura Kodres, Division Chiefs; and Christopher Morris, Matthew Jones and Effie Psalida, Deputy Division Chiefs. It has benefited from comments and suggestions from the senior staff in the MCM department.

Contributors to this report also include Sergei Antoshin, Chikako Baba, Alberto Buffa di Perrero, Alexandre Chailloux, Phil de Imus, Joseph Di Censo, Randall Dodd, Marco Espinosa-Vega, Simon Gray, Ivan Guerra, Alessandro Gullo, Vincenzo Guzzo, , Kristian Hartelius, Geoffrey Heenan, Silvia Iorgova, Hui Jin, Andreas Jobst, Charles Kahn, Elias Kazarian, William Kerry, John Kiff, Annamaria Kokenyne, Vanessa Le Lesle, Isaac Lustgarten, Andrea Maechler, Kazuhiro Masaki, Rebecca McCaughrin, Paul Mills, Ken Miyajima, Sylwia Nowak, Jaume Puig, Christine Sampic, Manmohan Singh, Juan Solé, Tao Sun, Narayan Suryakumar, and Morgane de Tollenaere. Martin Edmonds, Oksana Khadarina, Yoon Sook Kim, and Marta Sanchez Sache provided analytical support. Shannon Bui, Nirmaleen Jayawardane, Juan Rigat, and Ramanjeet Singh were responsible for word processing. David Einhorn of the External Relations Department edited the manuscript and coordinated production of the publication.

This particular issue draws, in part, on a series of discussions with banks, clearing organizations, securities firms, asset management companies, hedge funds, standards setters, financial consultants, and academic researchers. The report reflects information available up to March 2010 unless otherwise indicated.

The report benefited from comments and suggestions from staff in other IMF departments, as well as from Executive Directors following their discussion of the *Global Financial Stability Report* on April 5, 2010. However, the analysis and policy considerations are those of the contributing staff and should not be attributed to the Executive Directors, their national authorities, or the IMF.