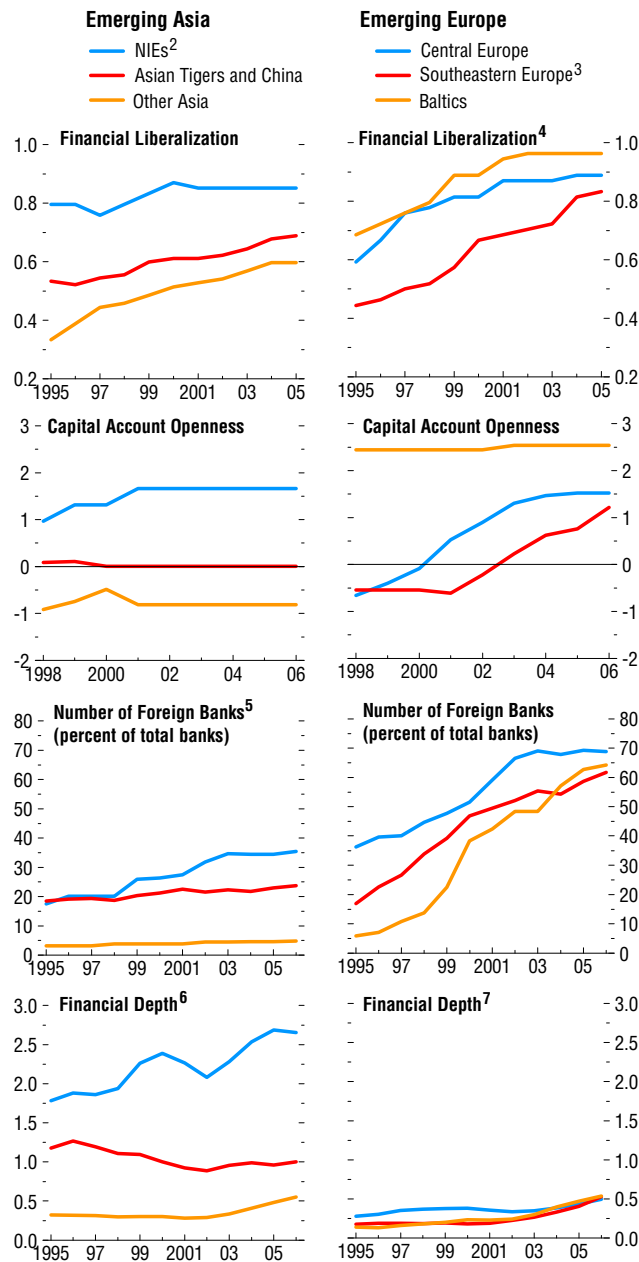


Figure 6.8. Patterns of Financial Development¹

In emerging Europe domestic financial market liberalization proceeded faster than in emerging Asia (except for the newly industrialized Asian economies (NIEs), which were already at a more advanced stage). The opening up of capital accounts was associated with a rapid influx of foreign banks.



Sources: Abiad, Detragiache, and Tressel (forthcoming); Beck, Demirgüç-Kunt, and Levine (2000, updated); Chinn and Ito (2006, updated); Claessens and others (2008); and IMF staff calculations.

¹See Appendix 6.1 for a definition of variables. See footnote 1 and 2 in Figure 6.1 for regional breakdowns.

²Excludes Taiwan POC.

³Excludes Macedonia, FYR.

⁴Excludes Croatia, Slovak Republic, and Slovenia.

⁵Excludes Pakistan and Sri Lanka.

⁶Excludes Vietnam.

⁷Excludes Albania.