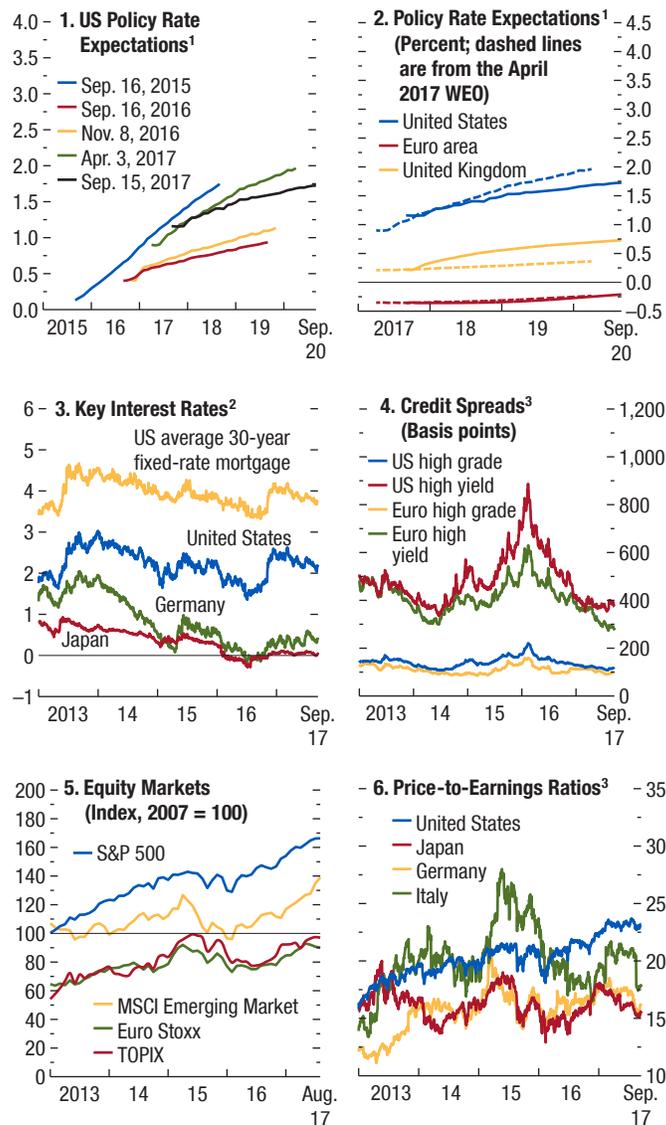


## Figure 1.5. Advanced Economies: Monetary and Financial Market Conditions

(Percent, unless noted otherwise)

Market sentiment has been strong in advanced economies. Compared with the spring, a more gradual normalization of US monetary policy is anticipated and credit spreads remain compressed.



Sources: Bloomberg L.P.; Thomson Reuters Datastream; and IMF staff calculations.

Note: MSCI = Morgan Stanley Capital International; S&P = Standard & Poor's; TOPIX = Tokyo Stock Price Index; WEO = *World Economic Outlook*.

<sup>1</sup>Expectations are based on the federal funds rate futures for the United States, the sterling overnight interbank average rate for the United Kingdom, and the euro interbank offered forward rate for the euro area; updated September 15, 2017.

<sup>2</sup>Interest rates are 10-year government bond yields, unless noted otherwise. Data are through September 15, 2017.

<sup>3</sup>Data are through September 15, 2017.