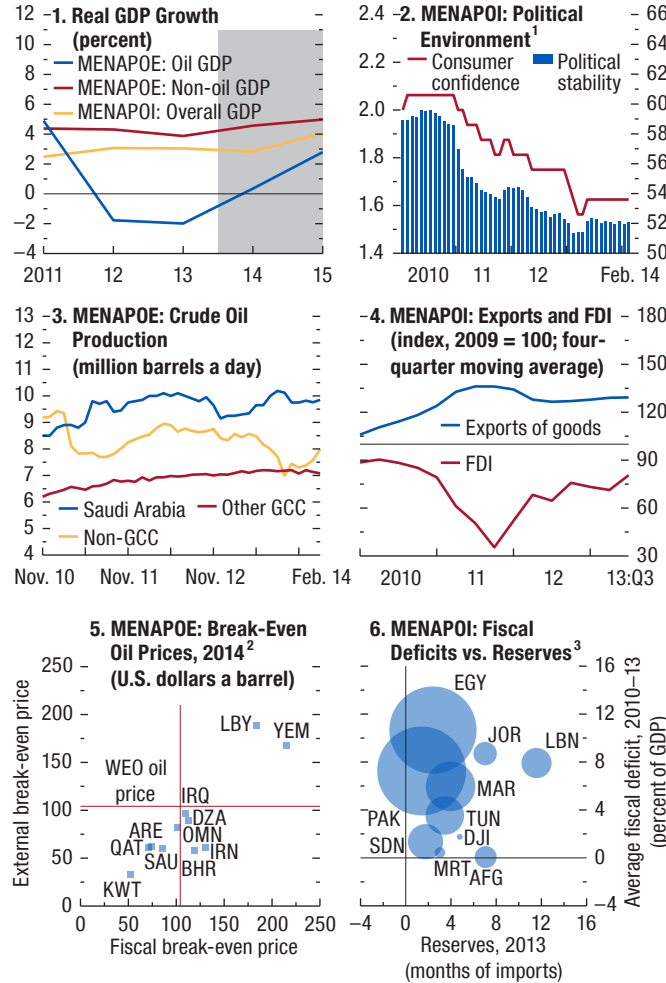


Figure 2.8. Middle East, North Africa, Afghanistan, and Pakistan: Turning a Corner?

Growth was tepid across the Middle East, North Africa, Afghanistan, and Pakistan (MENAP) in 2013, as high public spending was offset by declines in oil supply and weak non-oil exports amid continued sociopolitical upheaval. Robust non-oil activity on high public spending and recovery in oil production, however, should accelerate activity this year.



Sources: Haver Analytics; IMF, Direction of Trade Statistics database; International Energy Agency; national authorities; PRS Group, Inc., *International Country Risk Guide*; and IMF staff estimates.

Note: MENAP oil exporters (MENAPOE) = Algeria (DZA), Bahrain (BHR), Iran (IRN), Iraq (IRQ), Kuwait (KWT), Libya (LBY), Oman (OMN), Qatar (QAT), Saudi Arabia (SAU), United Arab Emirates (ARE), and Yemen (YEM); MENAP oil importers (MENAPOI) = Afghanistan (AFG), Djibouti (DJI), Egypt (EGY), Jordan (JOR), Lebanon (LBN), Mauritania (MRT), Morocco (MAR), Pakistan (PAK), Sudan (SDN), Syria (SYR), and Tunisia (TUN). FDI = foreign direct investment; GCC = Gulf Cooperation Council. Data from 2011 onward exclude SYR. Country group aggregates for panel 1 and exports of goods in panel 4 are weighted by purchasing-power-parity GDP as a share of group GDP; panel 2 shows simple averages (excludes AFG, DJI, and MRT); panel 3 and FDI (for EGY, MAR, PAK, and TUN) in panel 4 show sums.

¹Consumer confidence on the left scale and political stability on the right scale. Higher values of the consumer confidence measure (political stability rating) signify greater consumer confidence (political stability).

²Prices at which the government budget and current account are balanced, respectively. YEM data are for 2013.

³Bubble size is relative to each country's 2013 purchasing-power-parity GDP.