

# Some Regional Developments

IIF CEE-CEO Meeting

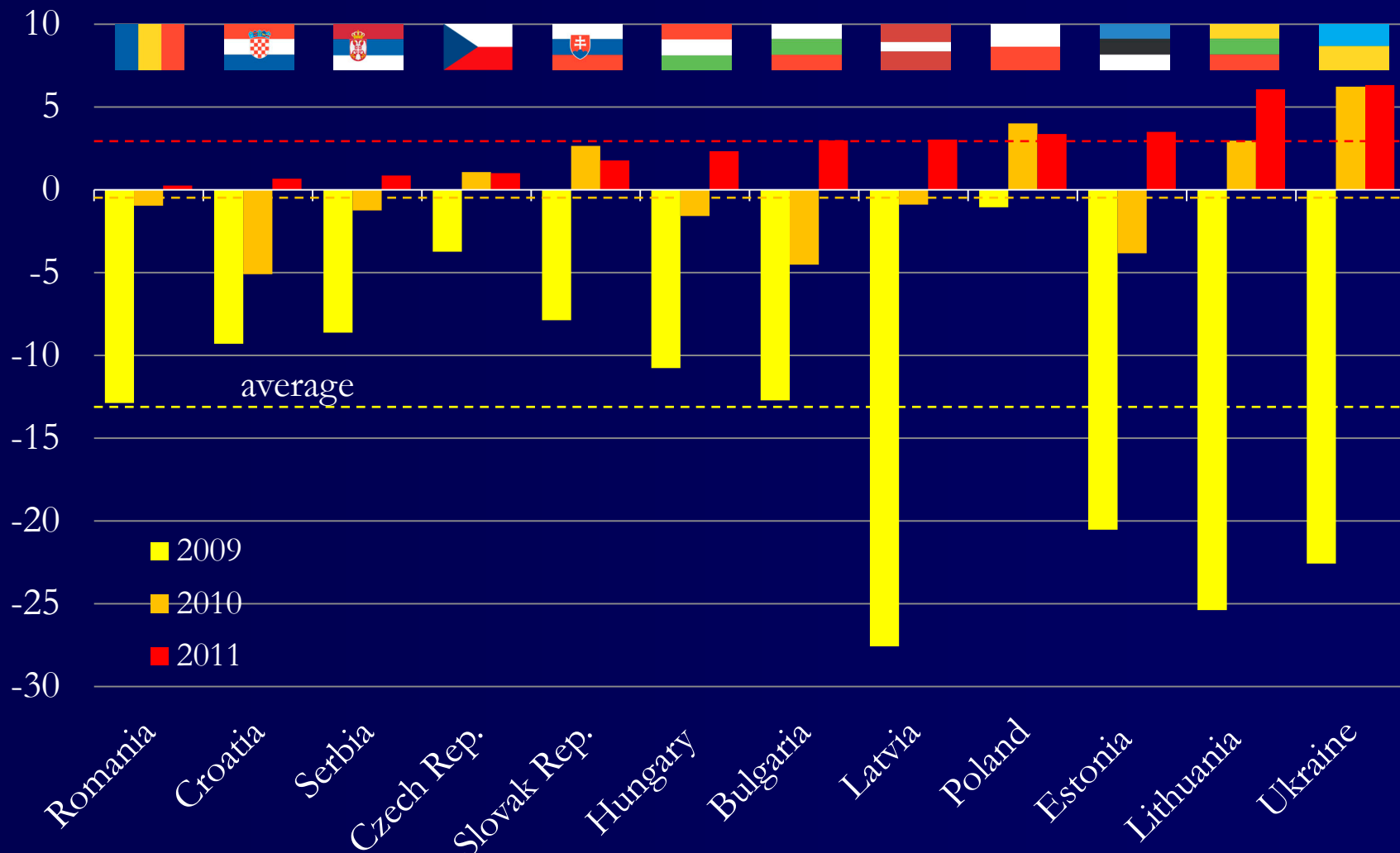
Warsaw, June 9, 2011

**Mark Allen**

Senior IMF Resident Representative for Central and  
Eastern Europe

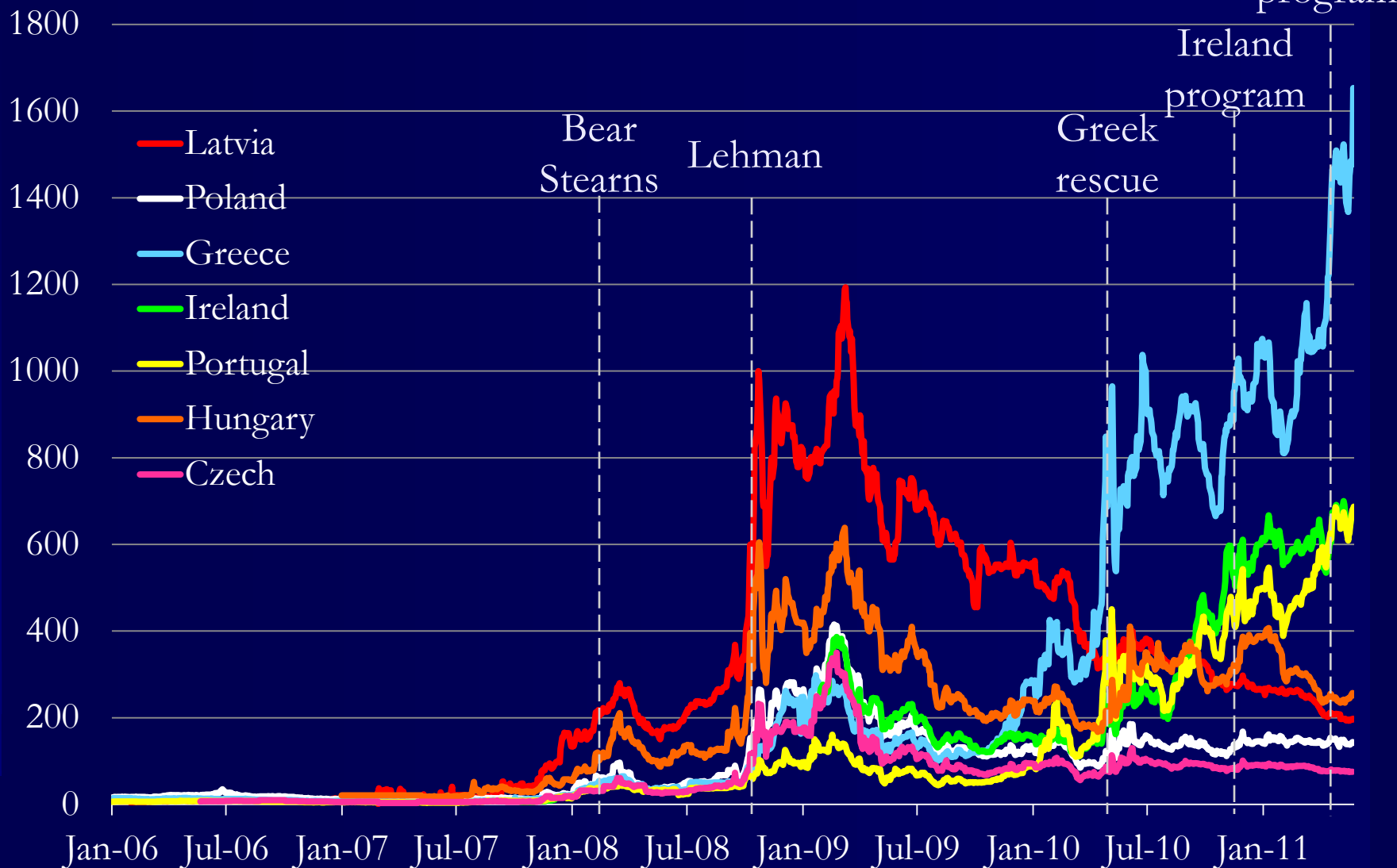
# Domestic demand is leading the recovery in 2011

Domestic Demand Growth  
(percent change from a year earlier)



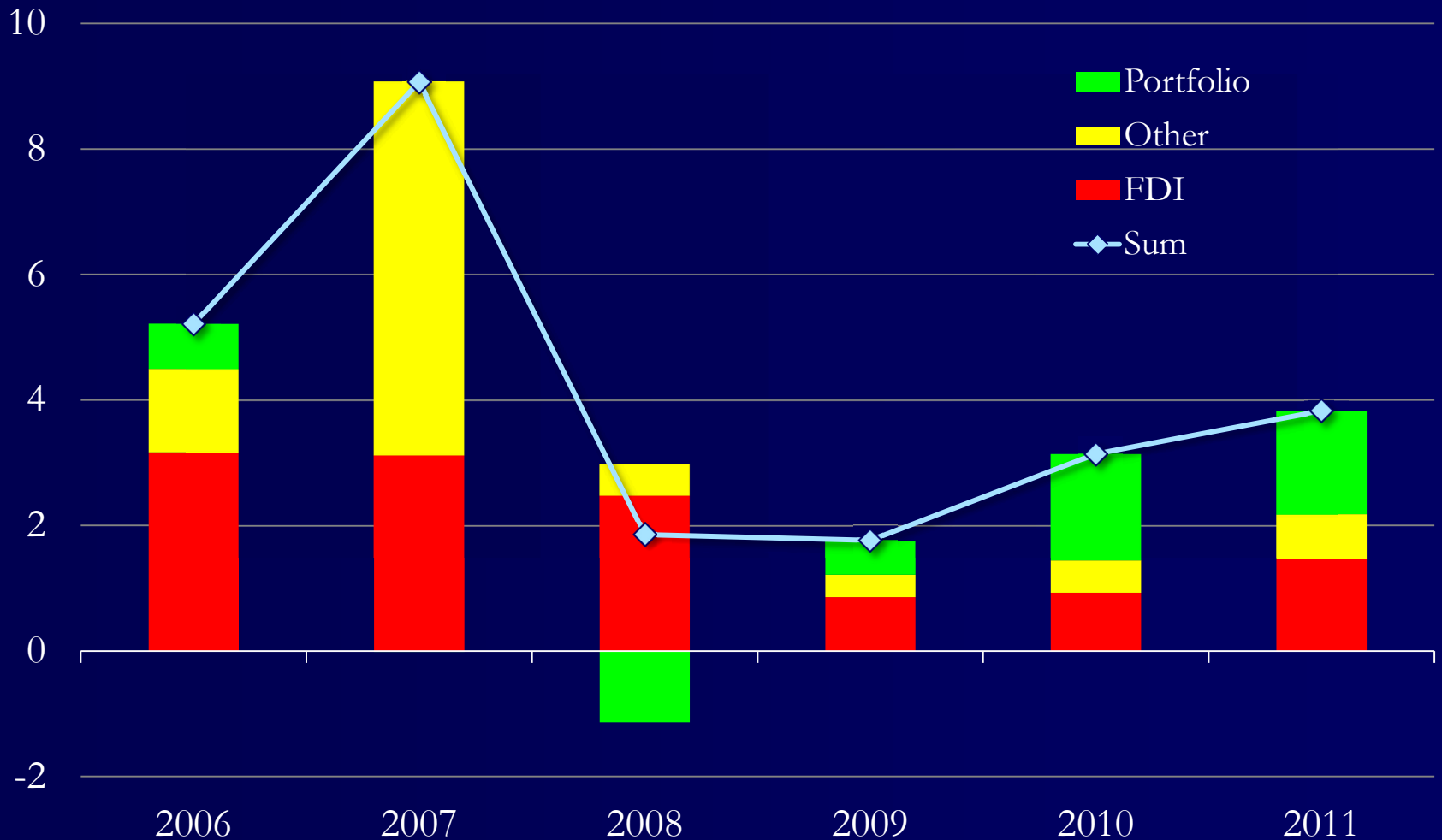
# Contagion to CEE has been limited

Sovereign CDS spreads  
(basis points)



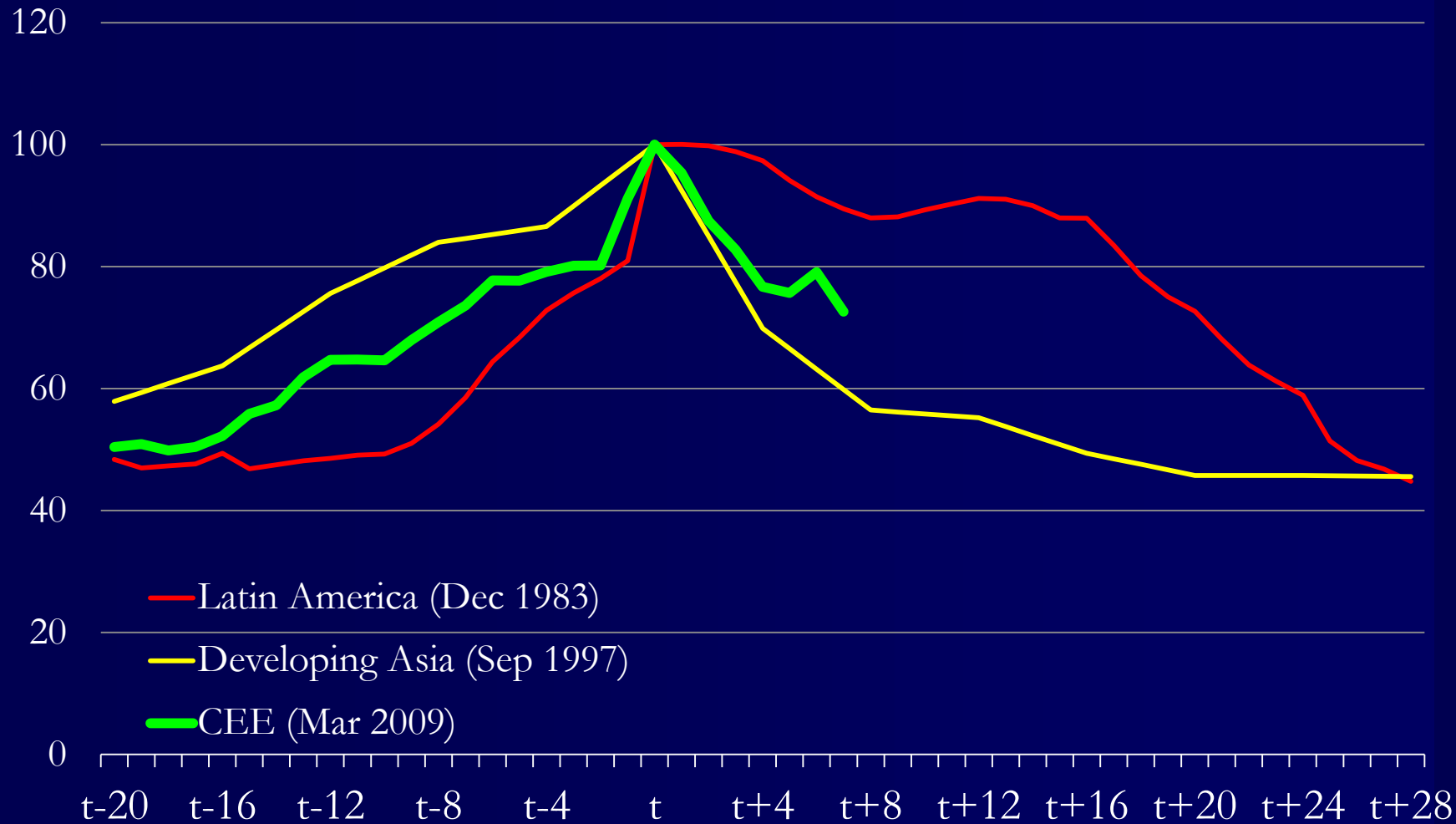
# Capital flows to CEE driven by portfolio investment

Capital Flows  
(percent of GDP)



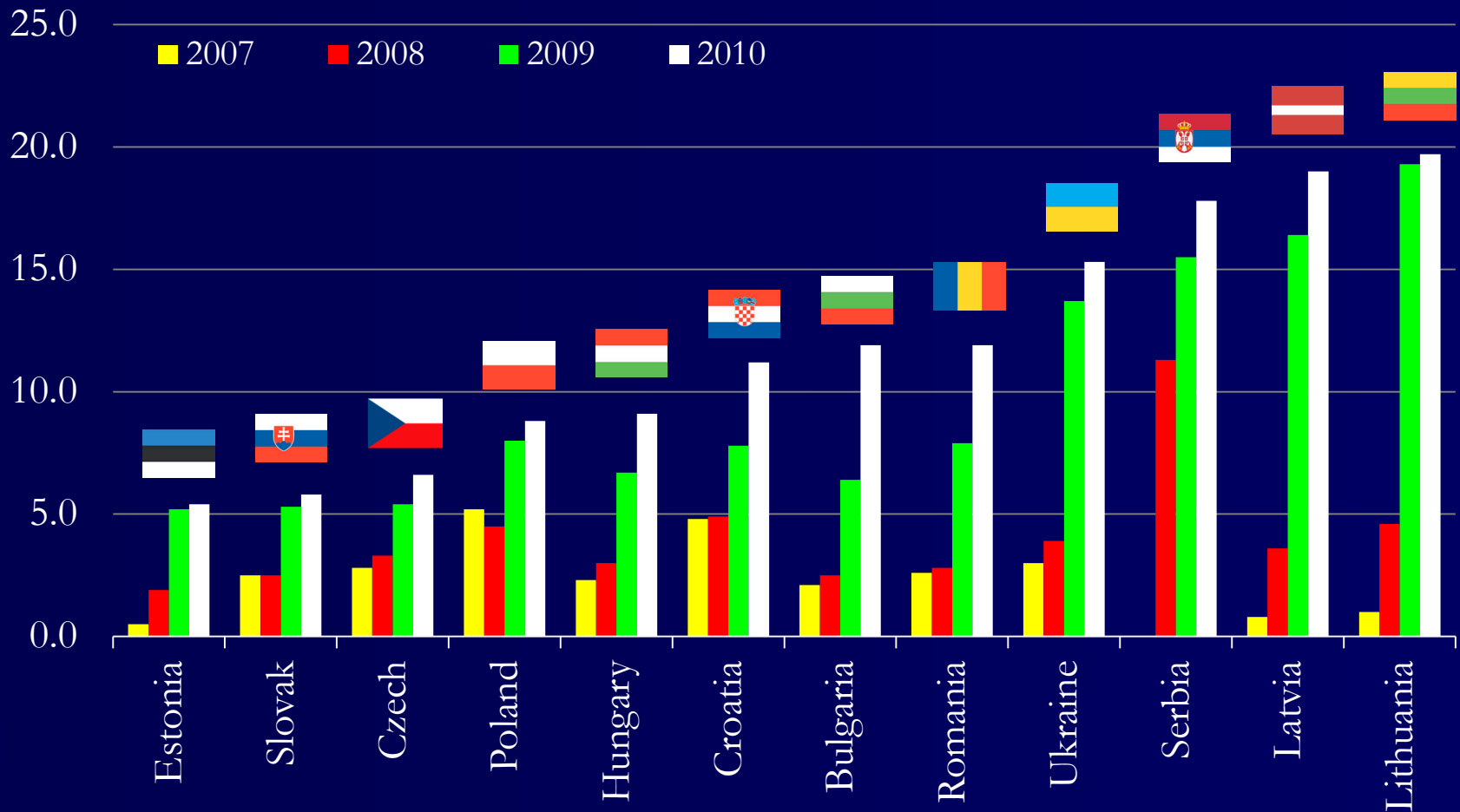
# Deleveraging continues as expected

BIS banks exposure as a percent of GDP  
(quarterly, peak = 100)



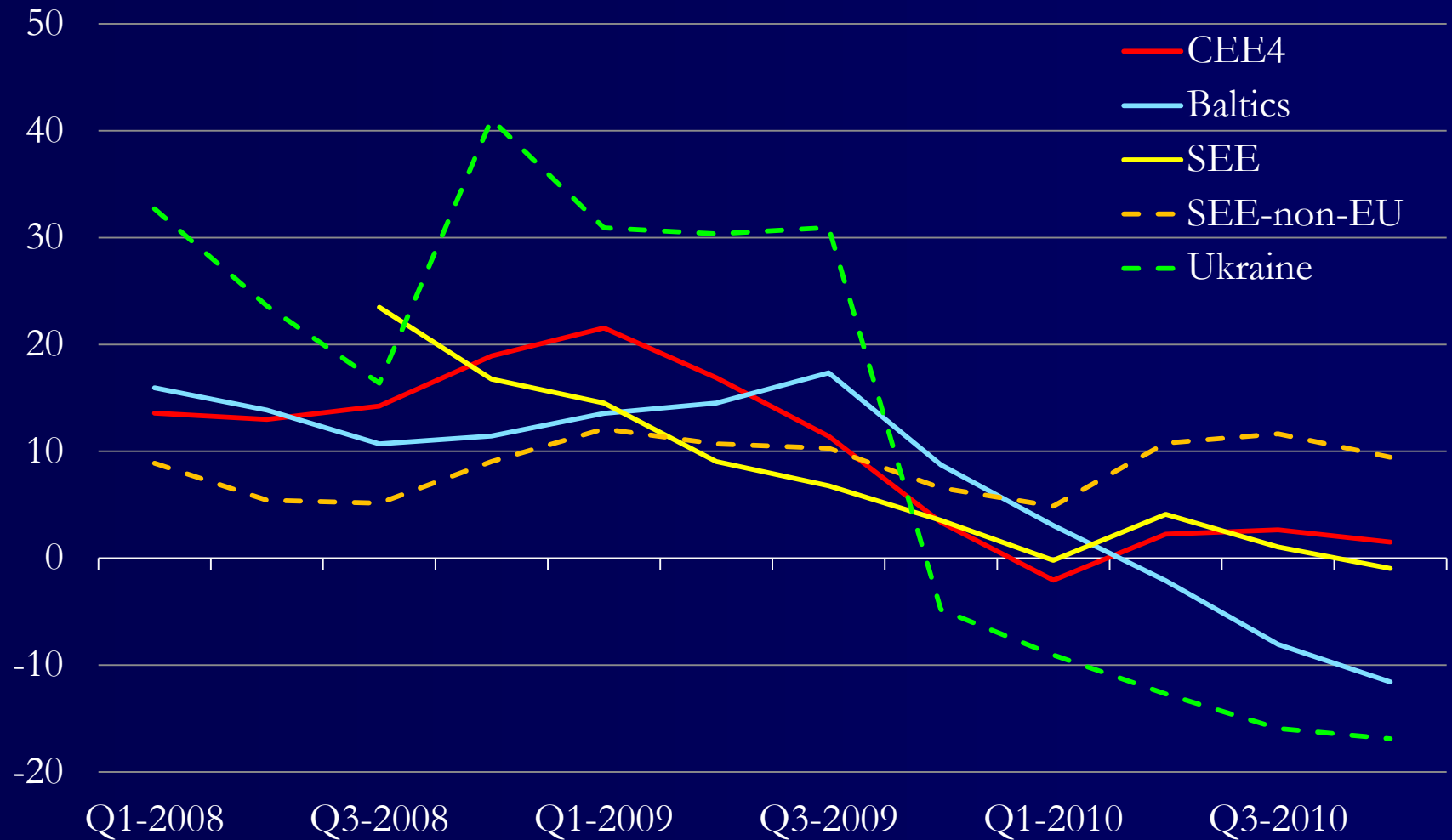
# NPLs have yet to stabilize...

Non-Performing Loan  
(percent of total loans)



# ...and this is holding back credit growth

Credit to GDP Growth  
(year on year)



Thank you

