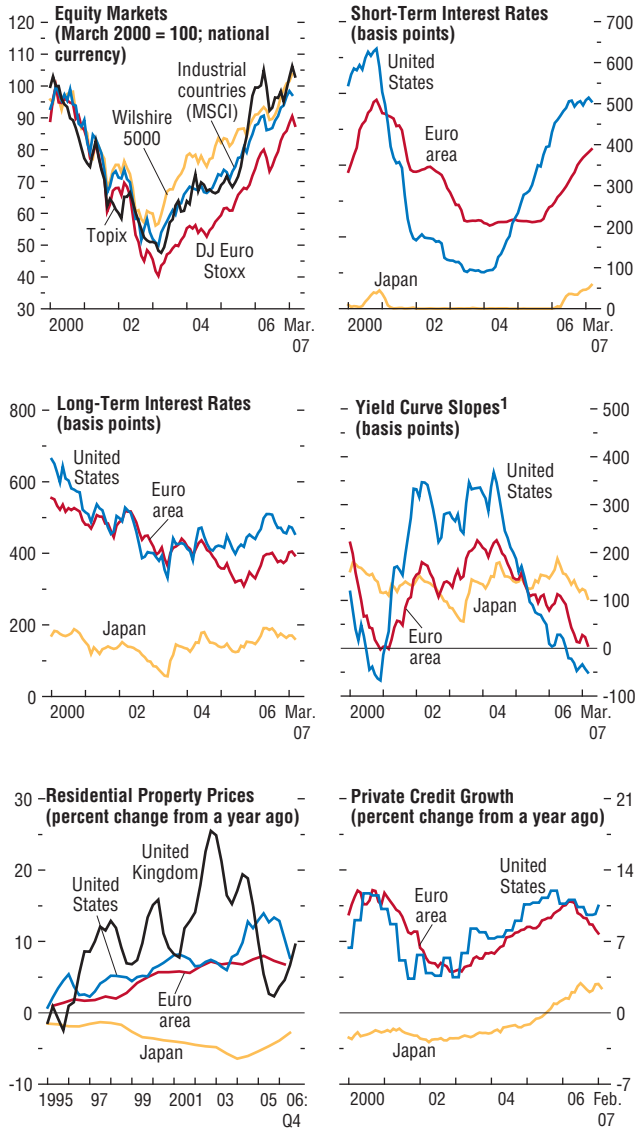


**Figure 1.4. Developments in Mature Financial Markets**

Expectations of continued solid economic growth and moderating price concerns since mid-2006 have encouraged buoyant equity markets and declining long-term interest rates. Credit growth has eased somewhat but remains high.



Sources: Bloomberg Financial Markets, LP; CEIC Data Company Limited; Haver Analytics; OECD; IMF, *International Financial Statistics*; national authorities; and IMF staff calculations.

<sup>1</sup>Ten-year government bond minus three-month treasury bill rate.