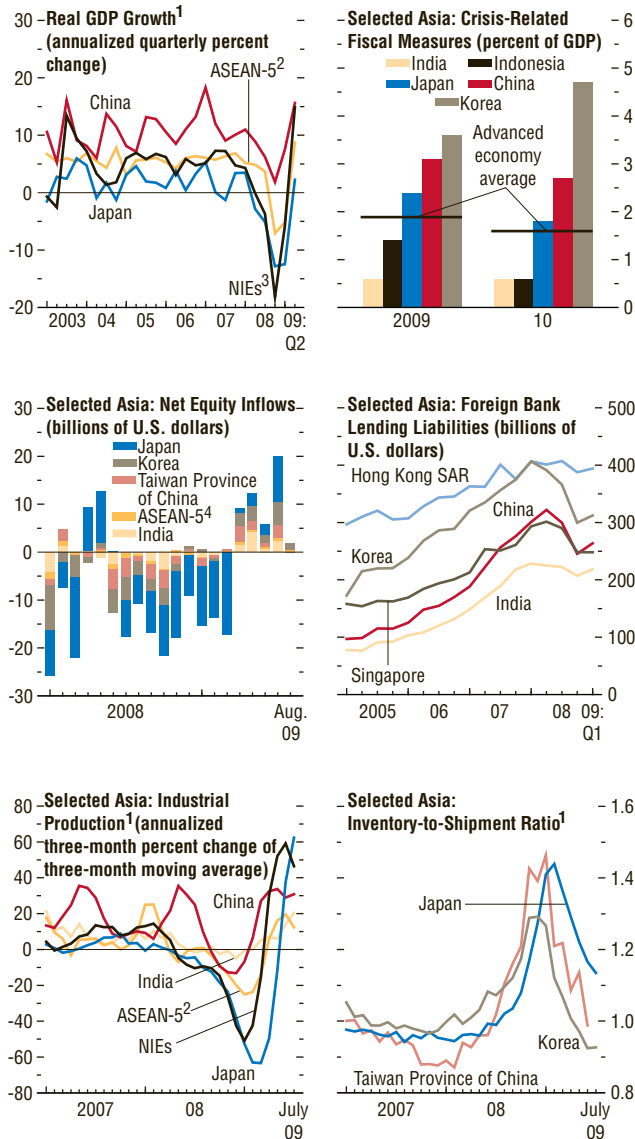


Figure 2.2. Advanced and Emerging Asia: Can the Recovery Be Sustained?

Signs of a strengthening recovery are increasingly helped by large fiscal stimulus packages. Financial markets have rebounded, and capital has begun to flow back into equity markets, while the pullback of foreign banks has ceased. Meanwhile, industrial production began to grow again in the first half of the year helped by an unwinding of inventory adjustments.



Sources: Bank for International Settlements; Horton and others (2009); and IMF staff calculations.

¹Seasonally adjusted.

²Excluding Vietnam.

³Newly industrialized Asian economies (NIEs) comprise Hong Kong SAR, Korea, Singapore, and Taiwan Province of China.

⁴Excluding Malaysia.