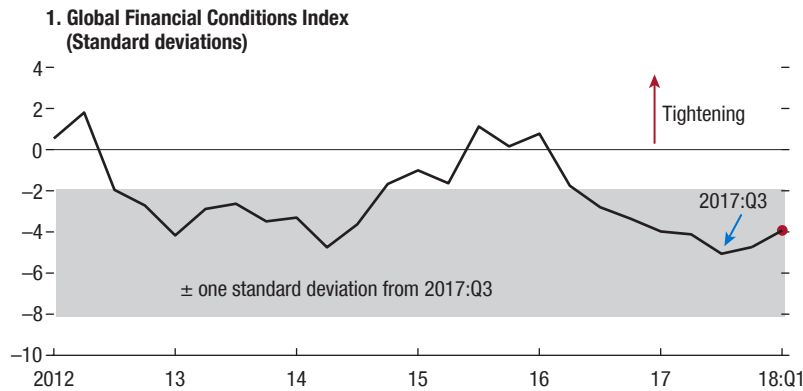


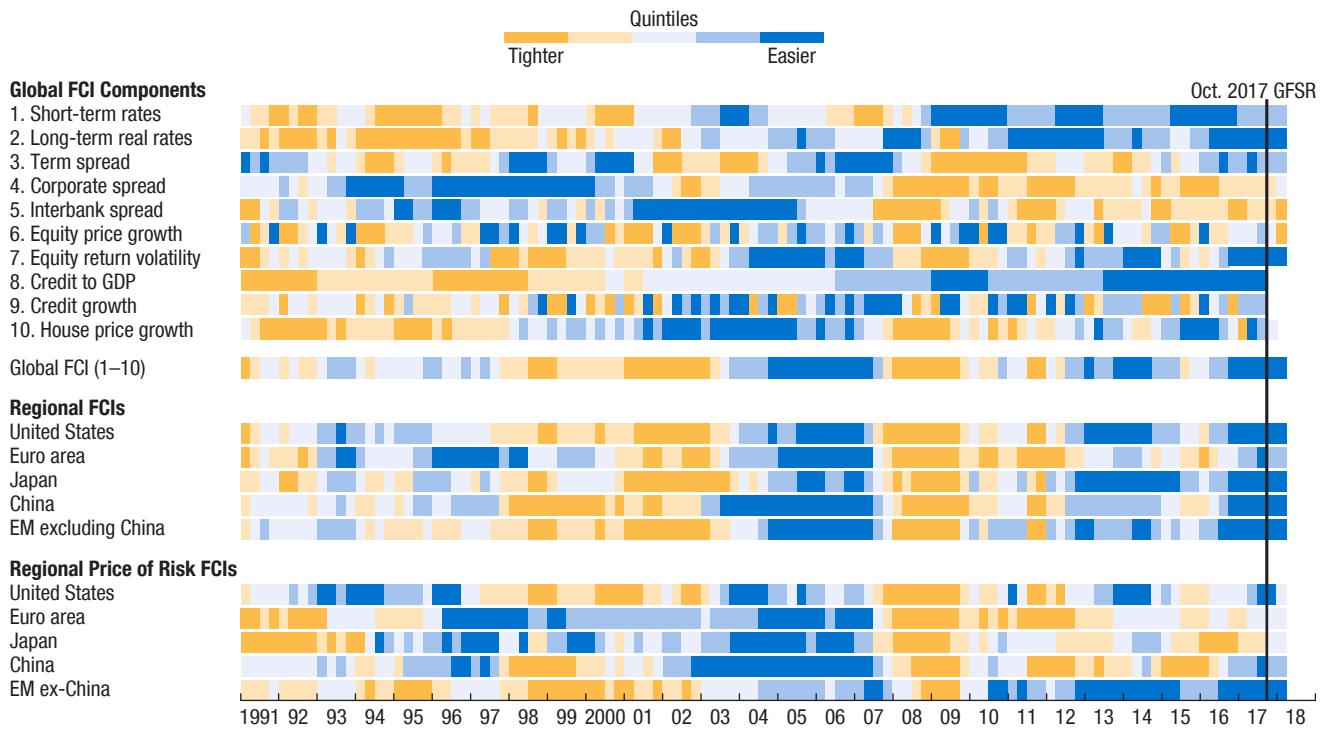
### Figure 1.1. Global Financial Conditions

Global financial conditions have tightened somewhat, but remain supportive of growth.



The price of risk is low, markets are buoyant, and leverage is high across both advanced and emerging market economies.

### 2. Global and Regional FCIs and Their Components



Sources: Bloomberg Finance L.P.; and IMF staff estimates.

Note: Panel 1 shows the Global (Financial Conditions Index) FCI. This was originally presented in GFSR October 2017 (Chapter 3). Higher values of FCIs indicate tighter conditions. The shaded area denotes  $\pm$  one standard deviation changes relative to the level of Global FCI at 2017:Q3. Panel 2 shows quintiles of global and regional FCI series and components relative to their own history. Results are compared with a “Price of Risk” FCI, encompassing price-based information only (components 1–7). Easing of conditions is shown in blue and tightening in yellow. For FCI components, the shading is based on their contribution to the FCI index, e.g., a narrowing of credit spreads relative to historical norms would be contributing to the FCI easing, and hence, shown in blue. EM = emerging market; FCI = financial conditions index; GFSR = *Global Financial Stability Report*.