

PREFACE

The *Global Financial Stability Report* (GFSR) assesses key risks facing the global financial system with a view to identifying those that represent systemic vulnerabilities. In normal times, the report seeks to play a role in preventing crises by highlighting policies that may mitigate systemic risks, thereby contributing to global financial stability and the sustained economic growth of the IMF's member countries. In the current crisis, the report traces the sources and channels of financial distress, and provides policy advice on mitigating its effects on economic activity, stemming contagion, and mending the global financial system.

The analysis in this report has been coordinated in the Monetary and Capital Markets (MCM) Department under the general direction of Jaime Caruana, the former Financial Counsellor and Director, and finalized by the present Financial Counsellor and Director, José Viñals. The project has been directed by MCM staff Jan Brockmeijer, Deputy Director; Peter Dattels and Laura Kodres, Division Chiefs; and Elie Canetti and Brenda González-Hermosillo, Deputy Division Chiefs. It has benefited from comments and suggestions from the senior staff in the MCM Department and especially, Mahmood Pradhan, Assistant Director.

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This particular issue draws, in part, on a series of discussions with banks, clearing organizations, securities firms, asset management companies, hedge funds, standard setters, financial consultants, and academic researchers. The report reflects information available up to February 28, 2009.

The report benefited from comments and suggestions from staff in other IMF departments, as well as from Executive Directors following their discussion of the *Global Financial Stability Report* on March 30, 2009. However, the analysis and policy considerations are those of the contributing staff and should not be attributed to the Executive Directors, their national authorities, or the IMF.