

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 issue, the report discusses the evolution of the financial crisis and assesses the policies taken to mitigate its effects on economic activity. Looking forward, it also provides policy advice on navigating the financial challenges on the road to recovery for 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 José Viñals, Counsellor and Director. The project has been directed by MCM staff Jan Brockmeijer, Deputy Director; Peter Dattels and Laura Kodres, Division Chiefs; and L. Effie Psalida, Deputy Division Chief. It has benefited from comments and suggestions from Hervé Ferhani, Deputy Director.

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This particular issue draws, in part, on a series of discussions with accountancies, banks, securities firms, asset management companies, hedge funds, auditors, standard setters, financial consultants, and academic researchers, as well as regulatory and other public authorities in major financial centers and countries. The report reflects information available up to September 17, 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 September 14, 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.