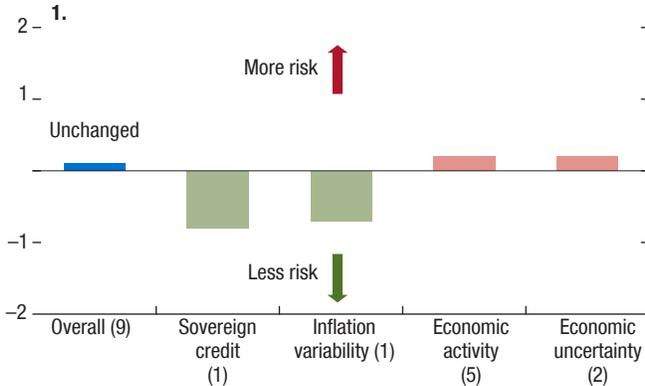
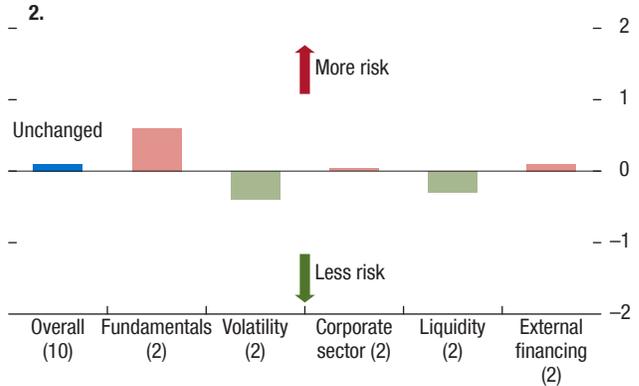


Figure 1.2. Global Financial Stability Map: Risks and Conditions
(Notch changes since the April 2014 GFSR)

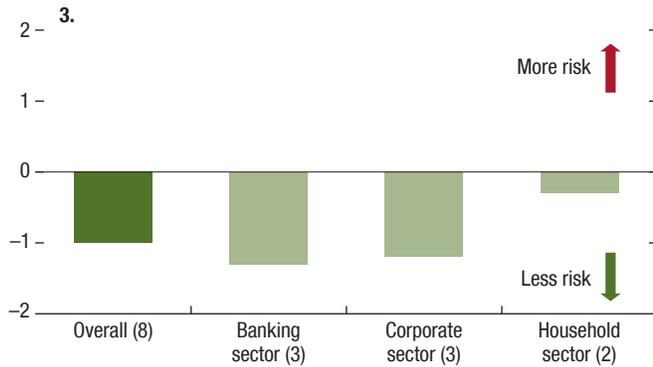
Macroeconomic risks remain balanced as the global recovery continues, although weaker than expected.



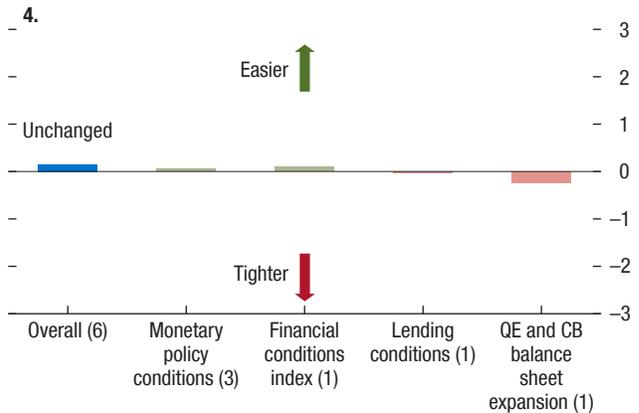
Emerging market risks are unchanged because subdued growth was offset by supportive policy actions and improved external conditions.



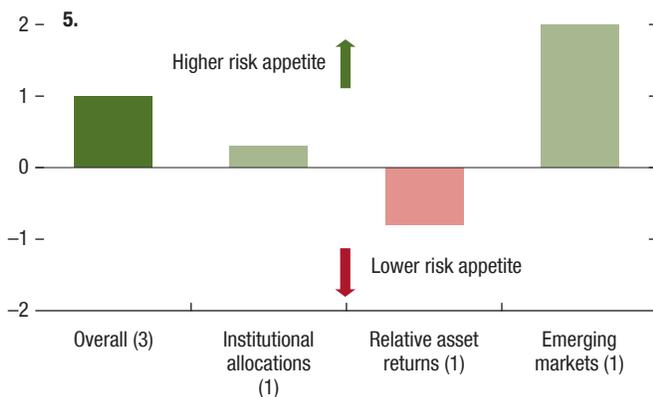
Credit risks have declined, led by improved bank funding conditions and balance sheet repair.



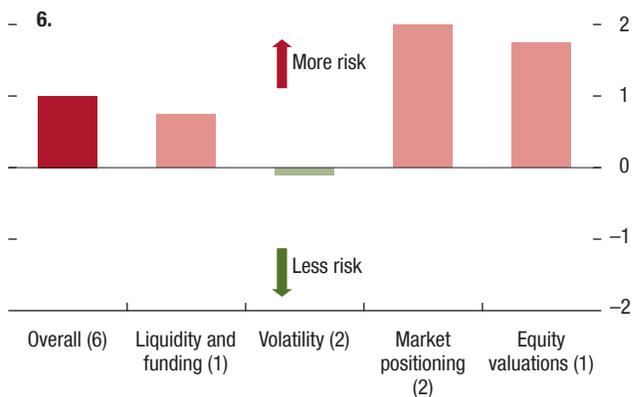
Monetary and financial conditions remain accommodative, with lending conditions and excess liquidity mostly unchanged.



Risk appetite increased on expectations that continued monetary accommodation will support asset prices.



Market and liquidity risks have increased as investors reach for yield in less liquid assets.



Source: IMF staff estimates.

Note: Changes in risks and conditions are based on a range of indicators, complemented with IMF staff judgment (see Annex 1.1. in the April 2010 GFSR and Dattels and others [2010] for a description of the methodology underlying the Global Financial Stability Map). Overall notch changes are the simple average of notch changes in individual indicators. The number next to each legend indicates the number of individual indicators within each subcategory of risks and conditions. For lending conditions, positive values represent slower pace of tightening or faster easing. CB = central bank; QE = quantitative easing.