Current Account Divergence

Euro Area: Current Account Divergences, Absolute and Relative

- Euro area countries relative to other advanced economies (right scale)
- Euro area countries relative to medium-term equilibrium (left scale)

Speed of Adjustment to Country-Specific Current Account Shocks

- Other advanced economies, 1970–91
- Other advanced economies, 1992–2007
- Euro area countries, 1992–2007
- Euro area countries, 1970–91

Source: IMF staff calculations.
1Based on current account balances in percent of GDP. Divergences are measured by the standard deviation across European Economic and Monetary Union members and across the other advanced economies, respectively.