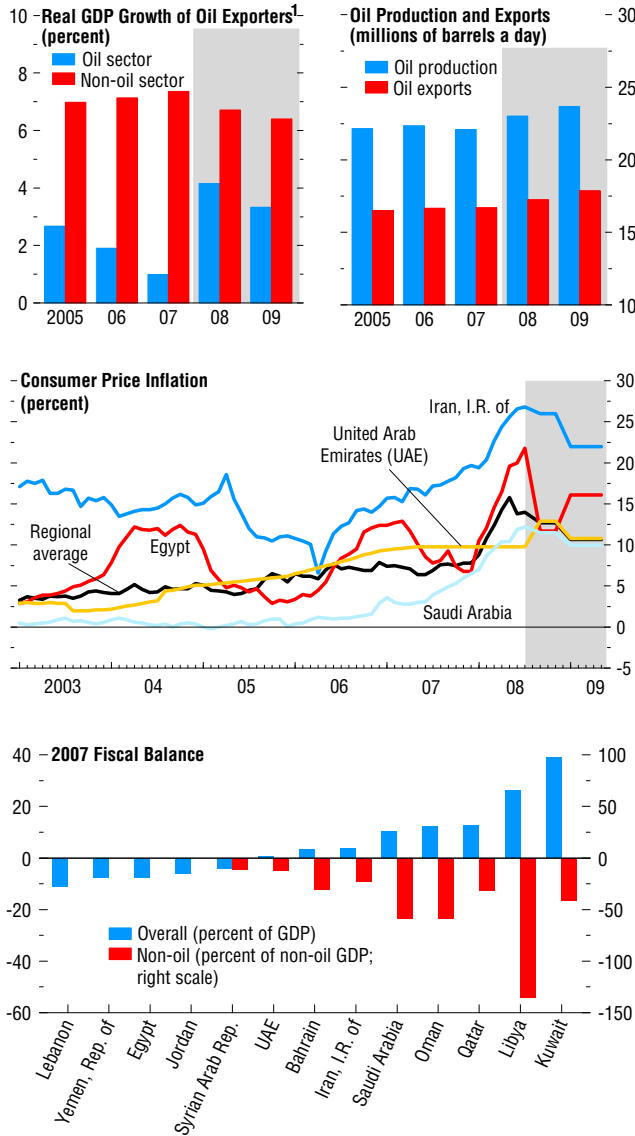


Figure 2.9. Middle East: Managing Inflation Pressures

Real GDP growth is forecast to remain buoyant, mainly on account of activity in non-oil sectors. Inflation pressure is rising, and tighter fiscal policies are needed to keep inflation expectations well anchored, particularly in non-oil economies, which are also experiencing widening current account deficits.



Sources: IMF, *International Financial Statistics*; and IMF staff calculations.
¹Oil exporters include Bahrain, Islamic Republic of Iran, Kuwait, Libya, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, and Republic of Yemen.