Within emerging Europe regional differences are explained mainly by diverging fiscal performances. In emerging Asia, regional differences are largely unexplained by structural factors.

**Figure 6.10. Explaining Current Account Balances: Results by Subregion**

(Percent of GDP; difference from sample average in 2003–06)

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**Emerging Europe**

- Current account
- Net foreign assets
- General government balance
- Oil balance
- Demographics
- Growth opportunities
- Financial factors
- Political structure
- Other
- Residual

**Emerging Asia**

- Current account
- Net foreign assets
- General government balance
- Oil balance
- Demographics
- Growth opportunities
- Financial factors
- Political structure
- Other
- Residual

Source: IMF staff calculations.

1. The contribution of each variable is computed as the deviation of the variable from the sample average times the regression coefficient of the variable from column e of Table 6.1.
2. See Appendix 6.2 for countries included in regional breakdowns.
3. The contribution of growth opportunities is the sum of the contributions of relative income per capita and of per capita GDP growth.
4. The contribution of financial factors is the sum of the contributions of financial liberalization, capital account openness, and financial depth.
5. Excludes Vietnam due to data availability.