In emerging Europe domestic financial market liberalization proceeded faster than in emerging Asia (except for the newly industrialized Asian economies (NIEs), which were already at a more advanced stage). The opening up of capital accounts was associated with a rapid influx of foreign banks.

Figure 6.8. Patterns of Financial Development

Emerging Asia
- NIEs
- Asian Tigers and China
- Other Asia

Emerging Europe
- Central Europe
- Southeastern Europe
- Baltics

Sources: Abiad, Detragiache, and Tressel (forthcoming); Beck, Demirgüç-Kunt, and Levine (2000, updated); Chinn and Ito (2006, updated); Claessens and others (2008); and IMF staff calculations.

1See Appendix 6.1 for a definition of variables. See footnote 1 and 2 in Figure 6.1 for regional breakdowns.
2Excludes Taiwan POC.
3Excludes Macedonia, FYR.
4Excludes Croatia, Slovak Republic, and Slovenia.
5Excludes Pakistan and Sri Lanka.
6Excludes Vietnam.
7Excludes Albania.