There is a strong visual link between stress in advanced and emerging economies, with peaks and troughs roughly coinciding. The increase in emerging economy stress is larger this time when compared with past episodes and involves all segments of the financial sector.

Comparison of Financial Stress Levels

Stress in Emerging Economies during Episodes of Widespread Stress in Advanced Economies\(^1\)
(stacked and centered around peak of financial stress in advanced economies; quarters)

Past Stress Episodes\(^2\)
Current Stress Episodes\(^3\)

Source: IMF staff calculations.
\(^1\)See Figure 4.5. Refer to Appendix 4.1 for definitions of stress components.
\(^3\)Peak assumed in 2008:Q4.