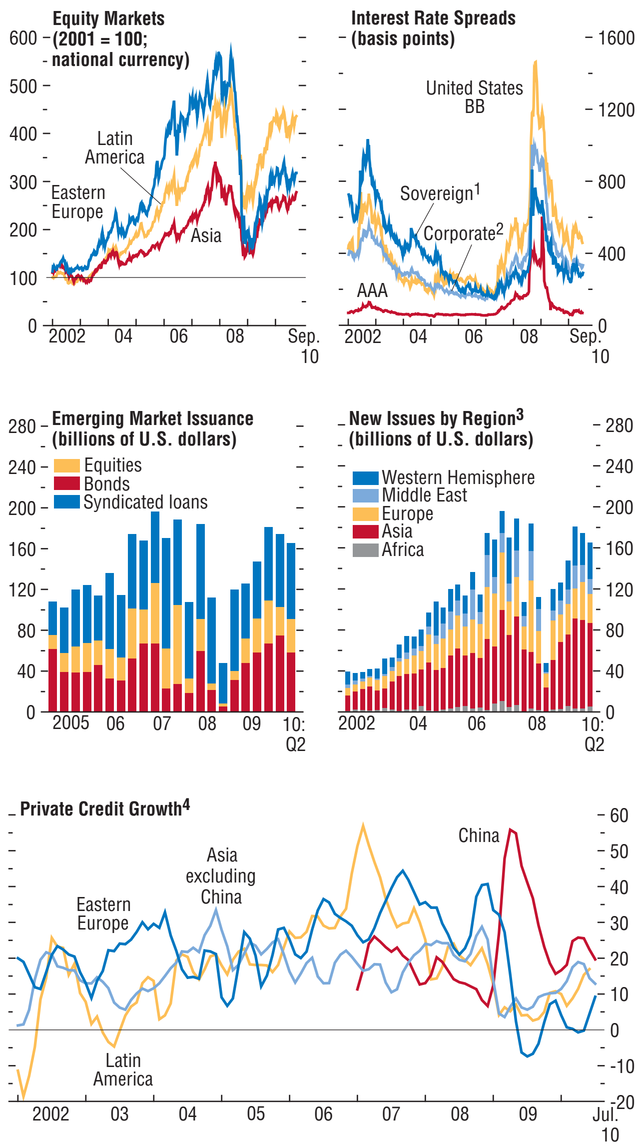
Figure 1.5. Emerging Market Conditions

Equity markets in emerging economies also surrendered a small part of earlier gains during the turbulent months of May and June. Spreads widened moderately and issuance fell. However, local bank credit markets continue to recover, with emerging Europe lagging. China has slowed very high credit growth rates to address growing macroprudential concerns.



Sources: Bloomberg Financial Markets; Capital Data; IMF, *International Financial Statistics;* and IMF staff calculations.

[1]JPMorgan EMBI Global Index spread.

[2]JPMorgan CEMBI Broad Index spread.

[3]Total of equity, syndicated loans, and international bond issues.

[4]Annualized percent change of three-month moving average over previous three-month moving average.