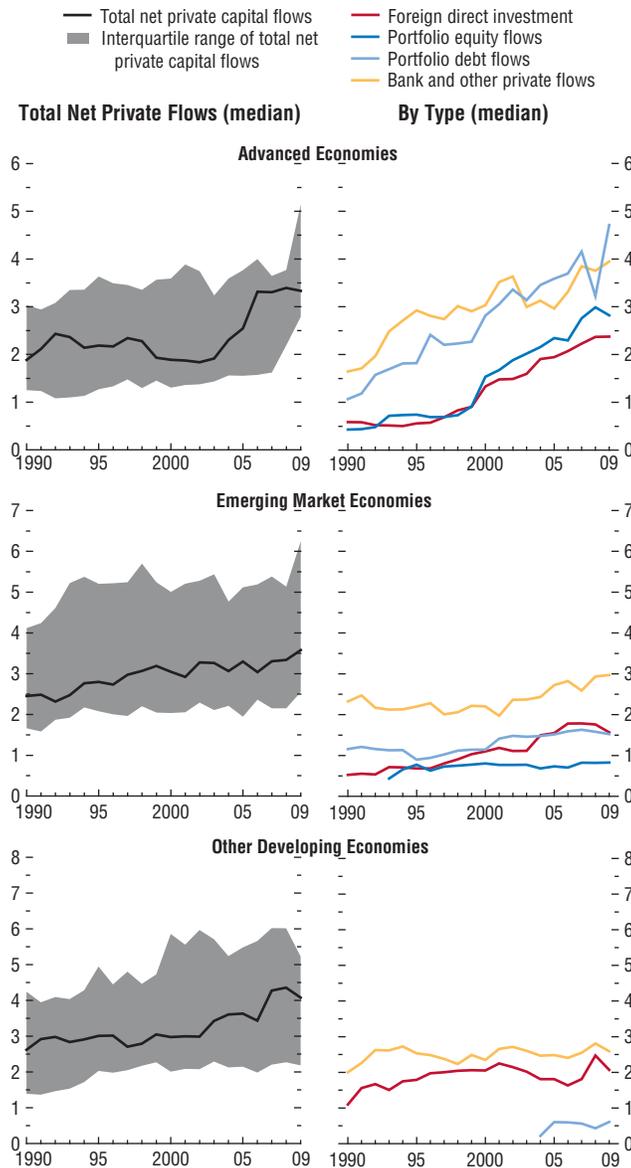


Figure 4.9. The Volatility of Net Private Capital Flows

(Standard deviation of net capital flows in percent of GDP)

The volatility of net private capital flows has been creeping up over time across all economies and across most types of flow. Emerging market and other developing economies have generally experienced higher volatility in their net financial account than advanced economies. Net bank and other private flows have consistently been the most volatile type of flow.



Sources: IMF, *Balance of Payments Statistics*; national sources; and IMF staff calculations.

Note: Using annual data, the volatility of any particular flow is computed as its standard deviation over the prior 10-year window for each economy (for example, the 1990 value corresponds to the standard deviation during 1981–90). The median is plotted only if the standard deviation for the particular 10-year window and type of flow can be calculated for at least one-fifth of the economies in the group. The groups exclude offshore financial centers.