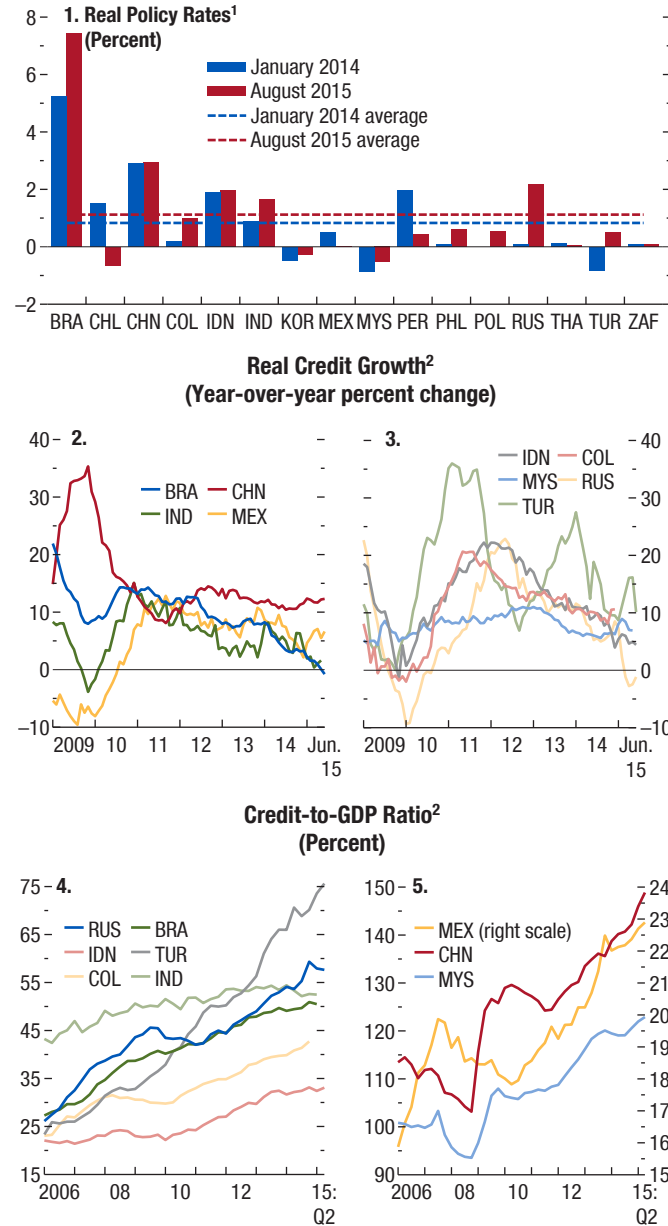


Figure 1.7. Monetary Policies and Credit in Emerging Market Economies

Monetary conditions generally remain accommodative in many emerging market economies. Real policy rates are low, while currencies have depreciated in real effective terms. However, in a number of emerging market economies with inflationary pressures or external vulnerabilities, central banks have raised policy rates. Real credit growth has slowed in many emerging market economies after credit booms and rapid increases in credit-to-GDP ratios.



Sources: Haver Analytics; IMF, International Financial Statistics (IFS) database; and IMF staff calculations.
 Note: Data labels in the figure use International Organization for Standardization (ISO) country codes.
¹Deflated by two-year-ahead *World Economic Outlook* inflation projections.
²Credit is other depository corporations' claims on the private sector (from IFS), except in the case of Brazil, for which private sector credit is from the Monetary Policy and Financial System Credit Operations published by Banco Central do Brasil.