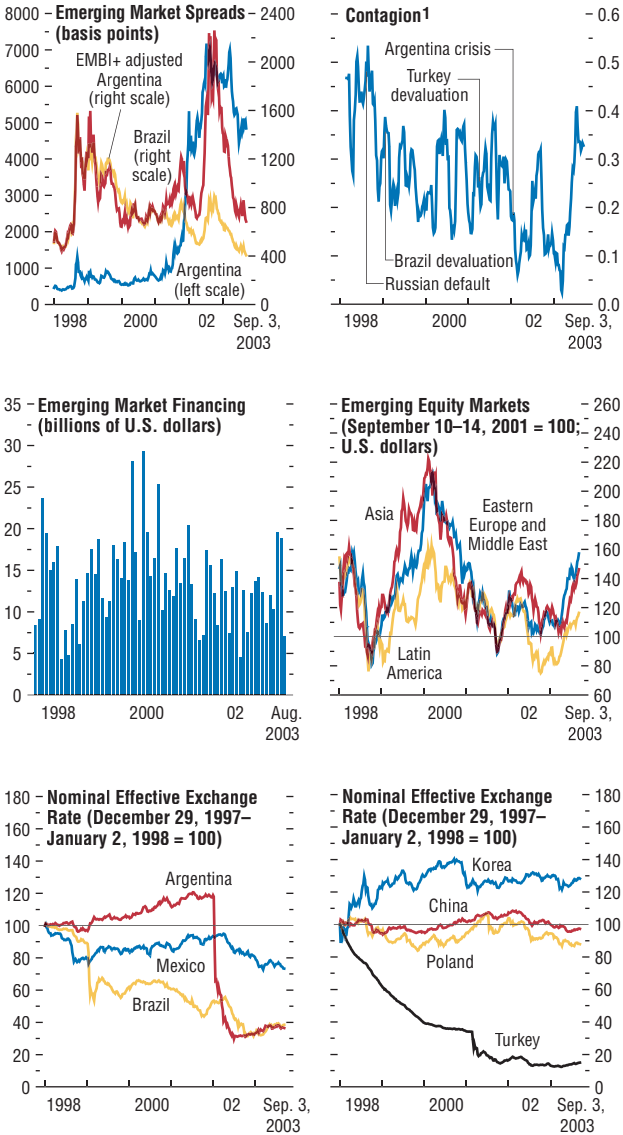


Figure 1.5. Emerging Market Financial Conditions

Emerging markets spreads have fallen sharply and equity markets have picked up in concert with developments in mature markets.



Sources: Bloomberg Financial Markets, LP; Capital Data; and IMF staff estimates.

¹Average of 60-day rolling cross-correlation of emerging debt market spreads.