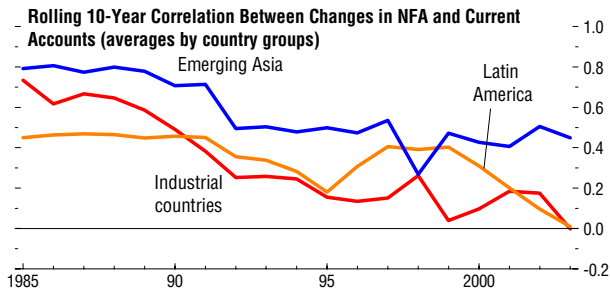
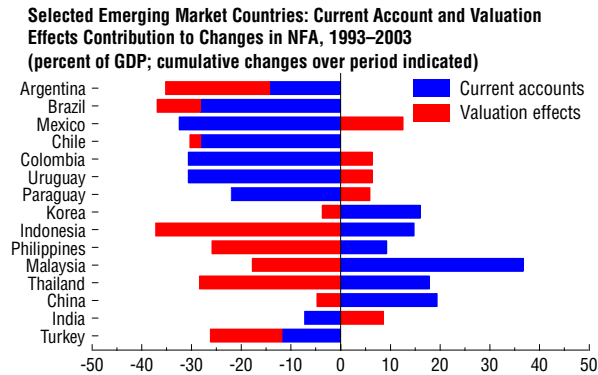
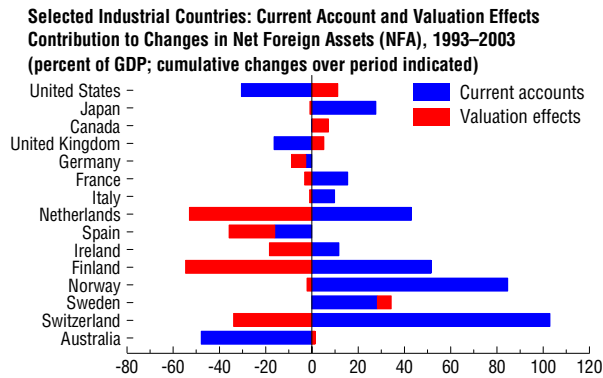


Figure 3.6. Valuation Effects, Current Accounts, and Net Foreign Assets

In the 1990s, the contribution of valuation effects to changes in net foreign assets was large relative to current account balances, especially in small open industrial economies and east Asian countries. More generally, the correlation between changes in net foreign assets and current account balances weakened.



Sources: IMF, *Balance of Payments Statistics*; Lane and Milesi-Ferretti (2005b); and IMF staff calculations.