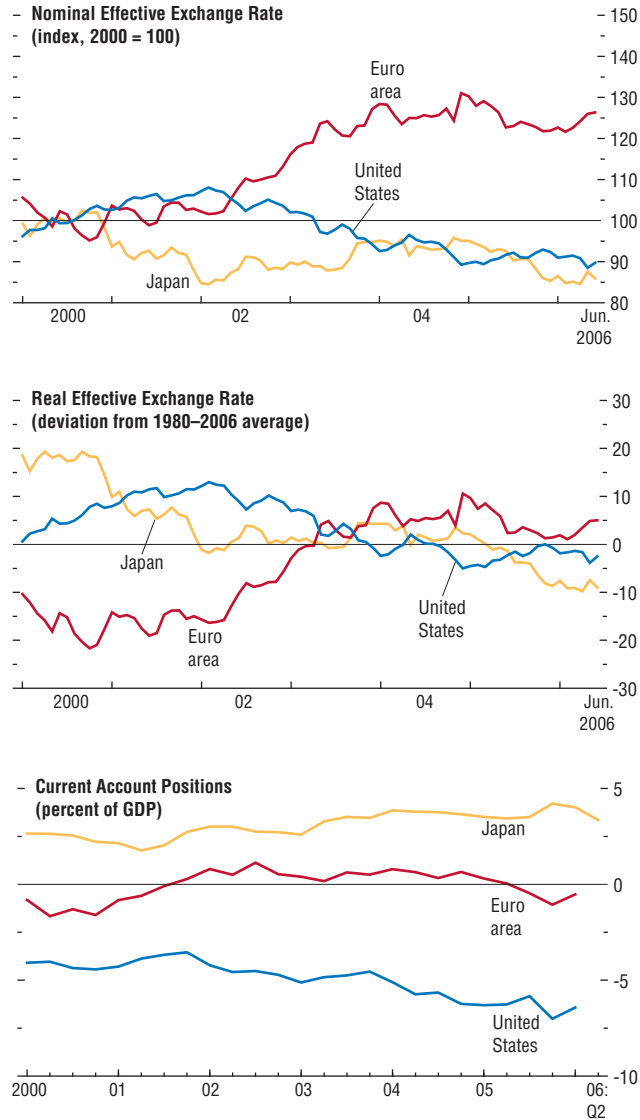


Figure 1.7. External Developments in Major Advanced Economies

The U.S. dollar has depreciated modestly in real effective terms since late 2005, but its current account deficit has remained high. The euro area's current account is close to balance, while Japan retains a sizable current account surplus.



Sources: Haver Analytics; and IMF staff calculations.