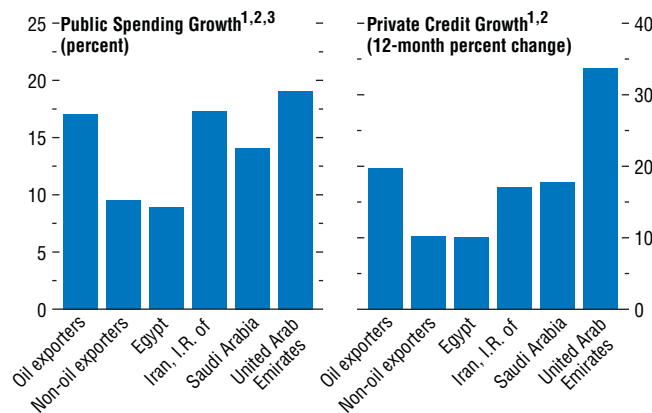
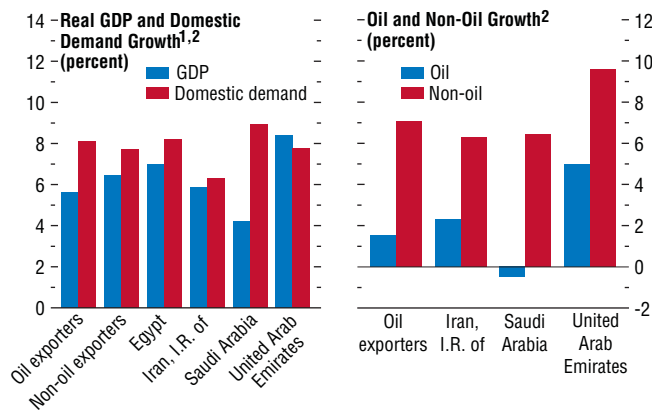
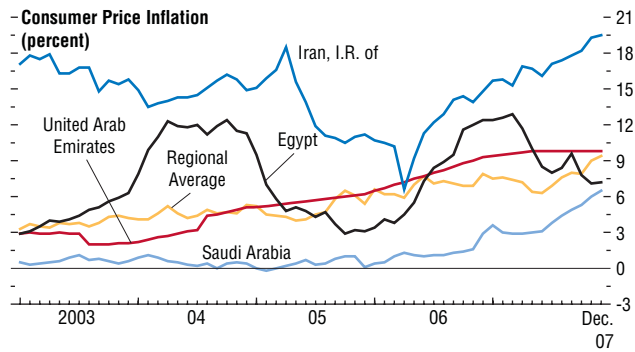


Figure 2.9. Middle East: Strong Growth, Rising Inflation

Inflation in the Middle East is rising as increased public spending and strong credit growth spur domestic demand. Structural reforms will be needed to contain price growth.



Sources: IMF, *International Financial Statistics*; and IMF staff calculations.
¹2006–07 average.
²Oil exporters include Bahrain, Islamic Republic of Iran, Kuwait, Libya, Oman, Qatar, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, and Republic of Yemen.
 Non-oil exporters include Egypt, Jordan, and Lebanon.
³Public spending is defined as consumption and investment.