Growth in the CIS has remained robust, supported by high prices for key commodities and good harvests in 2011, although indicators suggest some moderation of activity in recent months. Financial conditions in the three largest CIS economies (Kazakhstan, Russia, Ukraine) have deteriorated with increased financial stress in the euro area periphery and higher global risk aversion. Given downside risks, the priority is to strengthen policies by improving fiscal balances, accelerating financial system reform, and tightening the monetary stance where inflation risks are high.