

Figure 2.1. Net Capital Inflows to Emerging Market Economies and Number of Debt Crises, 1980–2015:Q3
(Percent of GDP, unless noted otherwise)

Net capital inflows in emerging markets over the past four decades have exhibited cycles. A slowdown phase of such a cycle has been taking place since 2010. Past net capital inflow slowdowns have been associated with external debt crises.



Sources: Catão and Milesi-Ferretti 2014; CEIC Asia database; CEIC China database; Haver Analytics; IMF, *Balance of Payments Statistics*; IMF, *International Financial Statistics*; World Bank, World Development Indicators database; and IMF staff calculations.

Note: Calculations are based on a sample of 45 emerging market economies. The observation for 2015 refers to the first three quarters of 2015. Data on the number of crises refer to the external crisis variable in Catão and Milesi-Ferretti 2014, updated to the third quarter of 2015. See Annex 2.1 for the complete list of sample countries and external crisis episodes.