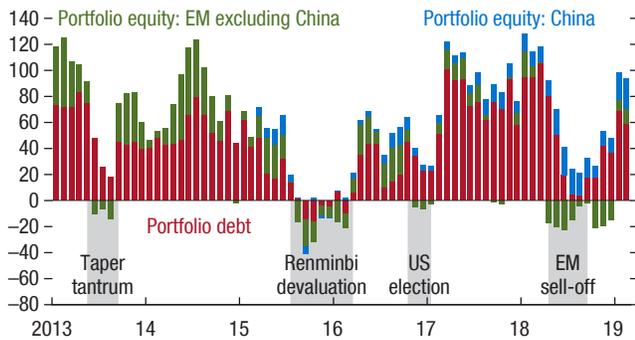


**Figure 1.21. Recent Pressures and Outlook for Portfolio Flows to Emerging Markets**

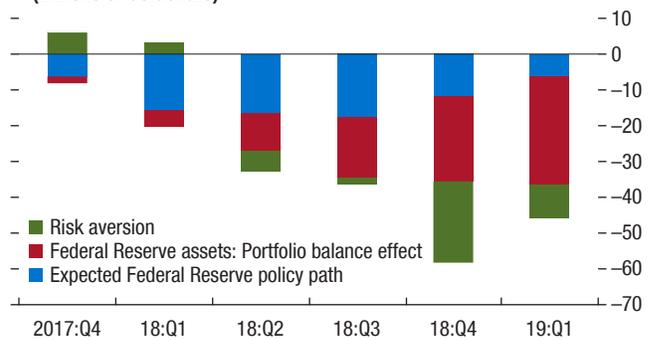
Portfolio flows have rebounded in recent months ...

**1. Nonresident Portfolio Flows to EMs**  
(Billions of US dollars, three-month rolling sum)



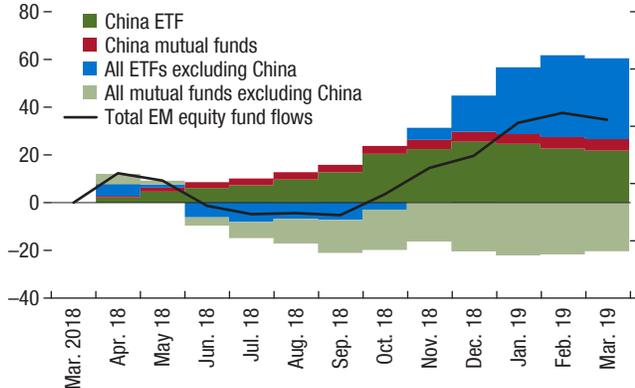
... as the drag from external factors has partially receded.

**2. Estimated Cumulative Impact of External Factors on Emerging Market Portfolio Flows**  
(Billions of US dollars)



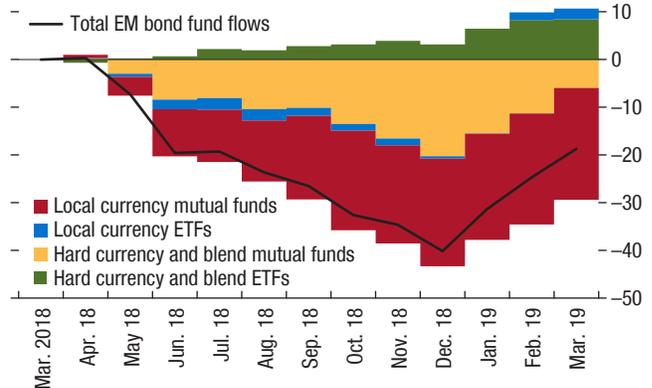
The resilience of emerging market aggregate fund flows reflected strong inflows in Chinese equities.

**3. Cumulative Emerging Market Equity Fund Flows**  
(Billions of US dollars)



Bond fund flows were cushioned by resilient inflows into hard currency ETFs.

**4. Cumulative Emerging Market Bond Fund Flows**  
(Billions of US dollars)



Sources: EPFR Global; Institute of International Finance; and IMF staff estimates.

Note: The model underlying panel 2 is discussed in more detail in the October 2017 *Global Financial Stability Report*. EM = emerging market; ETF = exchange-traded fund.