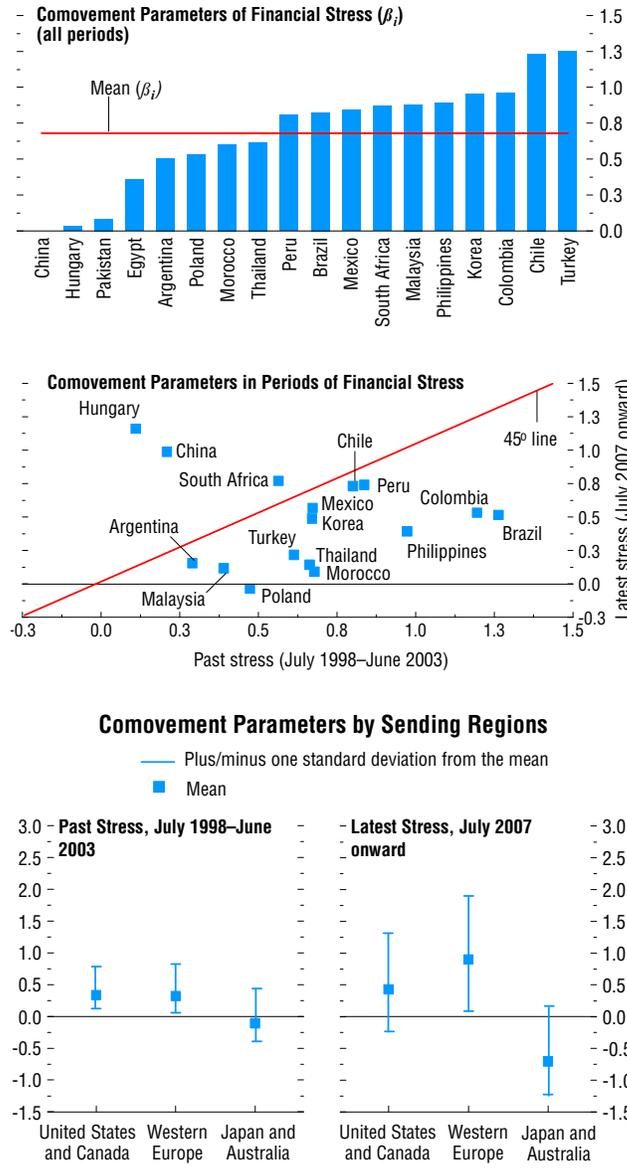


Figure 4.12. Comovement in Financial Stress between Emerging and Advanced Economies

The common, or systemic, element of stress transmission (mean β_i) is large, but variation across countries is significant. In the current crisis, transmission has been lower than in the past for most sample countries, possibly reflecting the weak initial response. Transmission of stress from western Europe appears strongest during the current crisis.



Source: IMF staff calculations.