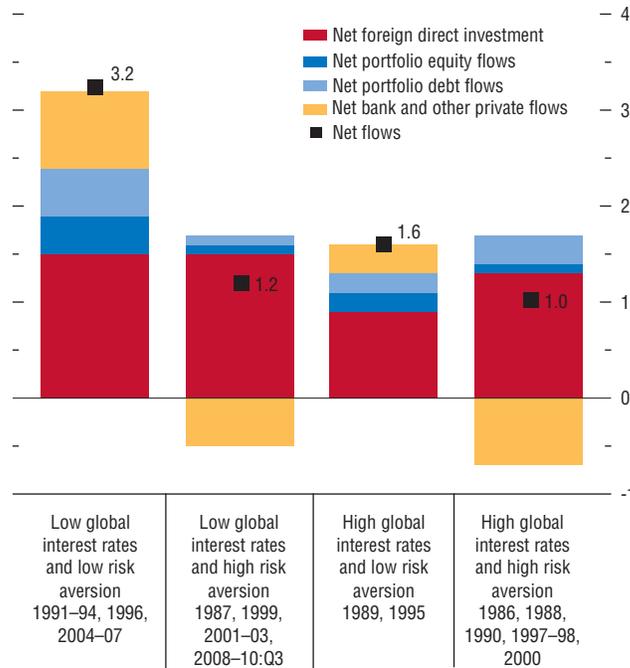


Figure 4.14. Net Private Flows to Emerging Market Economies under Alternative Financing Conditions

(Percent of GDP)

Net capital flows to emerging market economies tended to be strongest when global monetary and risk conditions were both slack, whereas under high risk aversion (but low global interest rates), flows were only marginally above net flows when both conditions were tight.



Sources: IMF, *Balance of Payments Statistics*; national sources; and IMF staff calculations.

Note: Net private capital flows exclude derivative flows. The values for each bar correspond to the average across years for each multiyear period during which the condition prevailed, where the annual data are calculated as the sum of net capital flows across economies divided by the sum of nominal GDP (both in U.S. dollars) across the same group of economies. The group aggregates exclude offshore financial centers.