



REGIONAL OFFICE FOR ASIA AND THE PACIFIC

IMF Asia-Pacific Regional Seminar on 2023 External Sector Report

IMF Regional Office for Asia and the Pacific (OAP) will host a seminar on 2023 External Sector report on September 13 (Wednesday), 2023.

Jiaqian Chen, Deputy Division Chief in the IMF Research Department, will present the main findings of the IMF's [External Sector Report 2023](#). Chen will discuss recent global external developments, risks associated with excess global current account balances, and steps to promote external rebalancing. A Q&A session will follow the 40-minute presentation.

Date and Time

September 13, 2023 (Wednesday) 10:30 a.m.-11:30 a.m. Japan time

Venue

Hibikoku Conference Square, Room 8C
8th floor, Hibiya-Kokusai Building, 2-2-3, Uchisaiwaicho, Chiyoda-ku, Tokyo
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Speakers

Jiaqian Chen, Deputy Division Chief, Research Department, IMF

Language

English (No Japanese translation provided)

Format and Registration

In-person. Please register [here](#) to attend the seminar by September 12 at 2 pm. (Japan time). No online participation available.

Overview

Produced since 2012, the IMF's annual External Sector Report analyzes global external developments and provides multilaterally consistent assessments of external positions of the world's largest economies representing more than 90 percent of global GDP, which include current accounts, real exchange rates, external balance sheets, capital flows, and international reserves.

This seminar will present the main findings of the 2023 Report. It finds global current account balances widened for a third consecutive year in 2022 driven by Russia's invasion of Ukraine, the uneven recovery from the pandemic, and rapid tightening of US monetary policy. However, the IMF's external sector assessments suggest that the overall size of excess global current account balances has remained unchanged since 2021, after declining for several years before that. While the widening of global current account balances is not necessarily a negative development, excess global current account balances can fuel trade tensions and protectionist measures or increase the risk of

disruptive currency and capital flow movements. This highlights the importance of efforts in both excess surplus and deficit economies to promote external rebalancing.

The report also finds the US dollar appreciation under the “global dollar cycle,” which is driven primarily by global financial risks, has negative spillovers on economic activity and imports, which fall harder on emerging market economies. More flexible exchange rates and better anchored inflation expectations can mitigate these negative spillovers. Finally, the report documents that the uphill capital flows from emerging and developing economies to advanced economies reemerged in 2022 and financial centers are becoming increasingly important in the recycling of large current account surpluses and the funding of the US current account deficit.