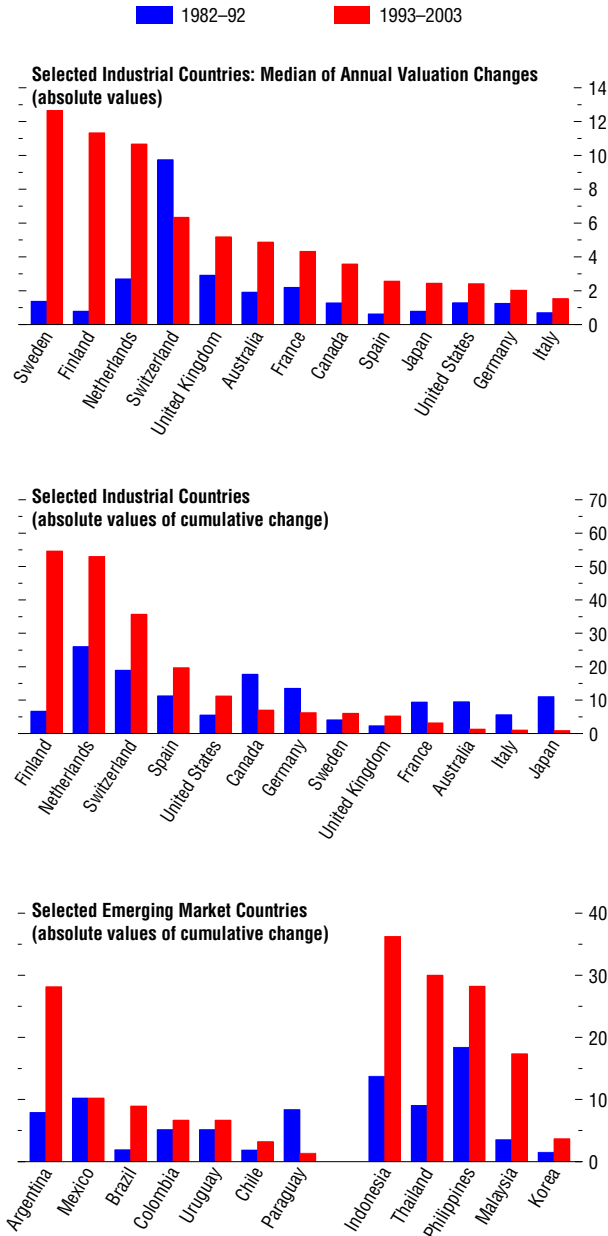


**Figure 3.5. Valuation Effects on Net Foreign Assets**  
(Percent of GDP)

For larger industrial countries, annual valuation changes have become greater in the 1990s, even if the cumulative sums shown below tend to be small due to the frequent change in sign. For emerging market countries, magnitudes of valuation effects have generally increased over the past decade.



Sources: IMF, *Balance of Payments Statistics*; Lane and Milesi-Ferretti (2005b); and IMF staff calculations.