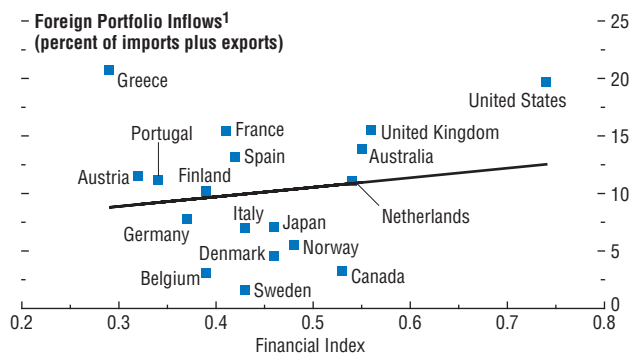
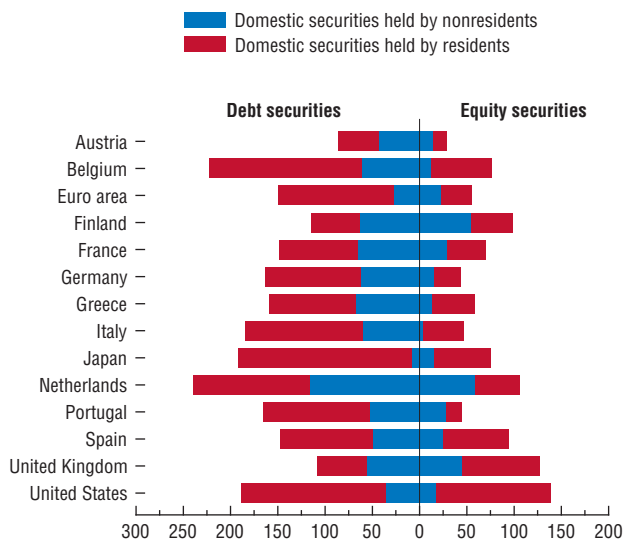


Figure 4.13. The Financial Index and Foreign Portfolio Investment

There is evidence of a positive correlation between foreign portfolio inflows and the Financial Index.



Foreign and Domestic Holdings of Debt and Equity Securities² (percent of GDP)



Sources: Bank for International Settlements; Lane and Milesi-Ferretti (2006); OECD; and IMF staff calculations.

¹Data are for 2000–2004 averages.

²Data are for 2004.