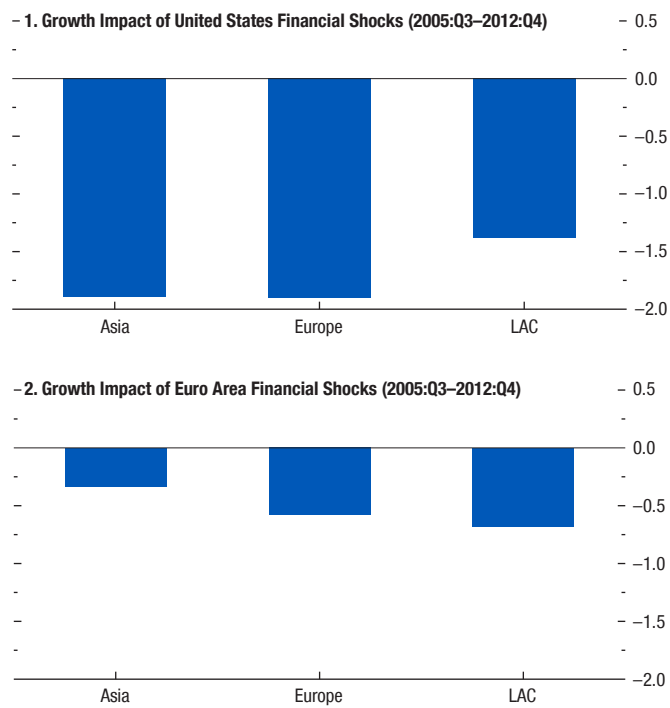


Figure 3.8. Impact of U.S. and Euro Area Financial Shocks

Renewed financial stress in the U.S. banking sector would have the largest impact on Europe and Asia, whereas financial sector stress in the euro area would have a greater effect on other countries in Europe and on those in Latin America.



Source: IMF staff calculations.

Note: LAC = Latin America and the Caribbean.