

Credit Market Turmoil and Emerging Markets

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Mature Market Equities: 1999-01 and Today

MSCI indices (US\$ returns), index=100 at market peak



Emerging Market Equities: 1999-01 and Today

MSCI indices (US\$ returns), index=100 at market peak



High-yield Credit Spreads: 1999-01 and Today

change in bps relative to market low

Low spreads
2007-08: Jun 5, 2007
1999-01: Jun 11, 1999

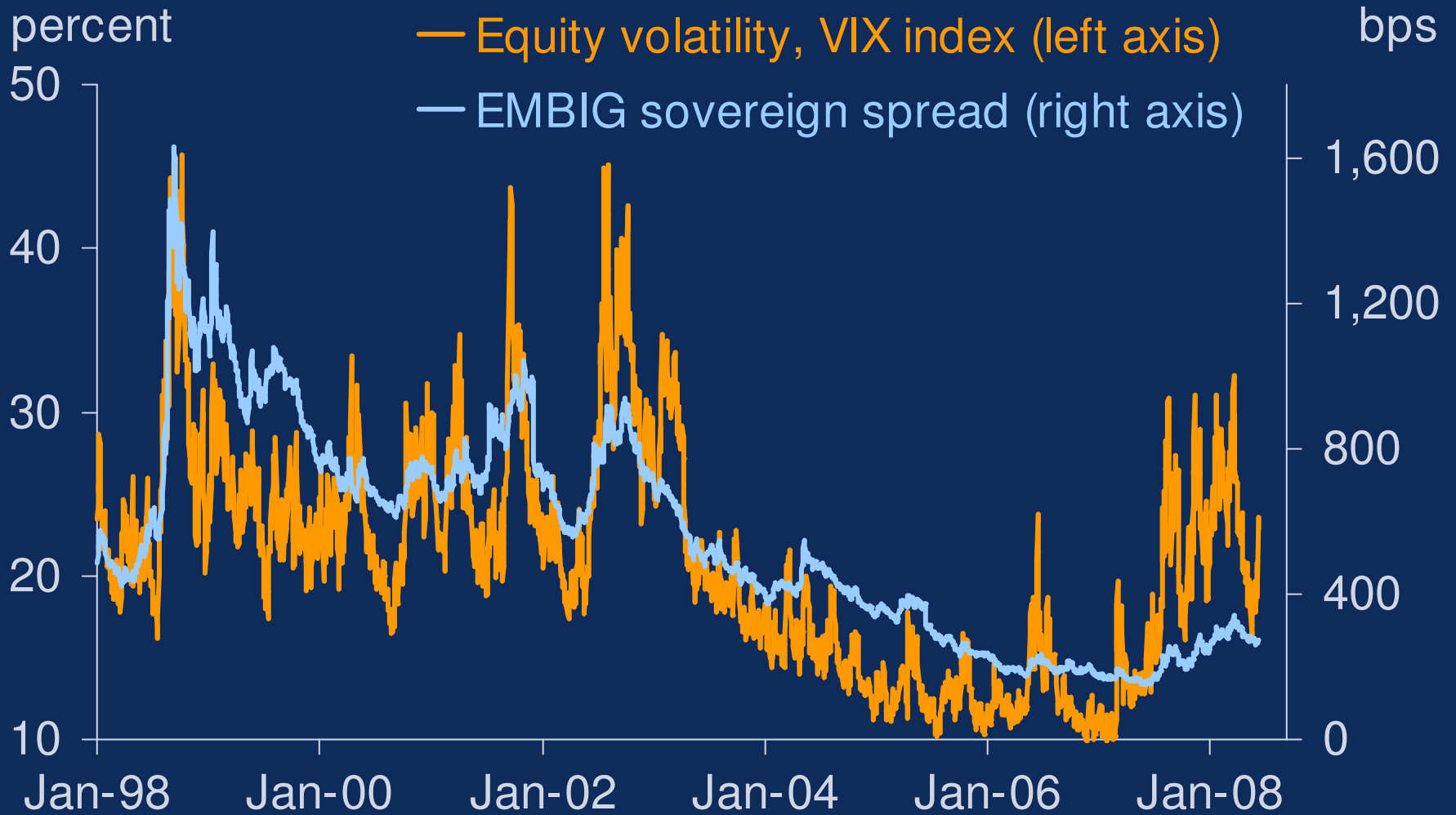


EMBIG Sovereign Spreads: 1999-01 and Today

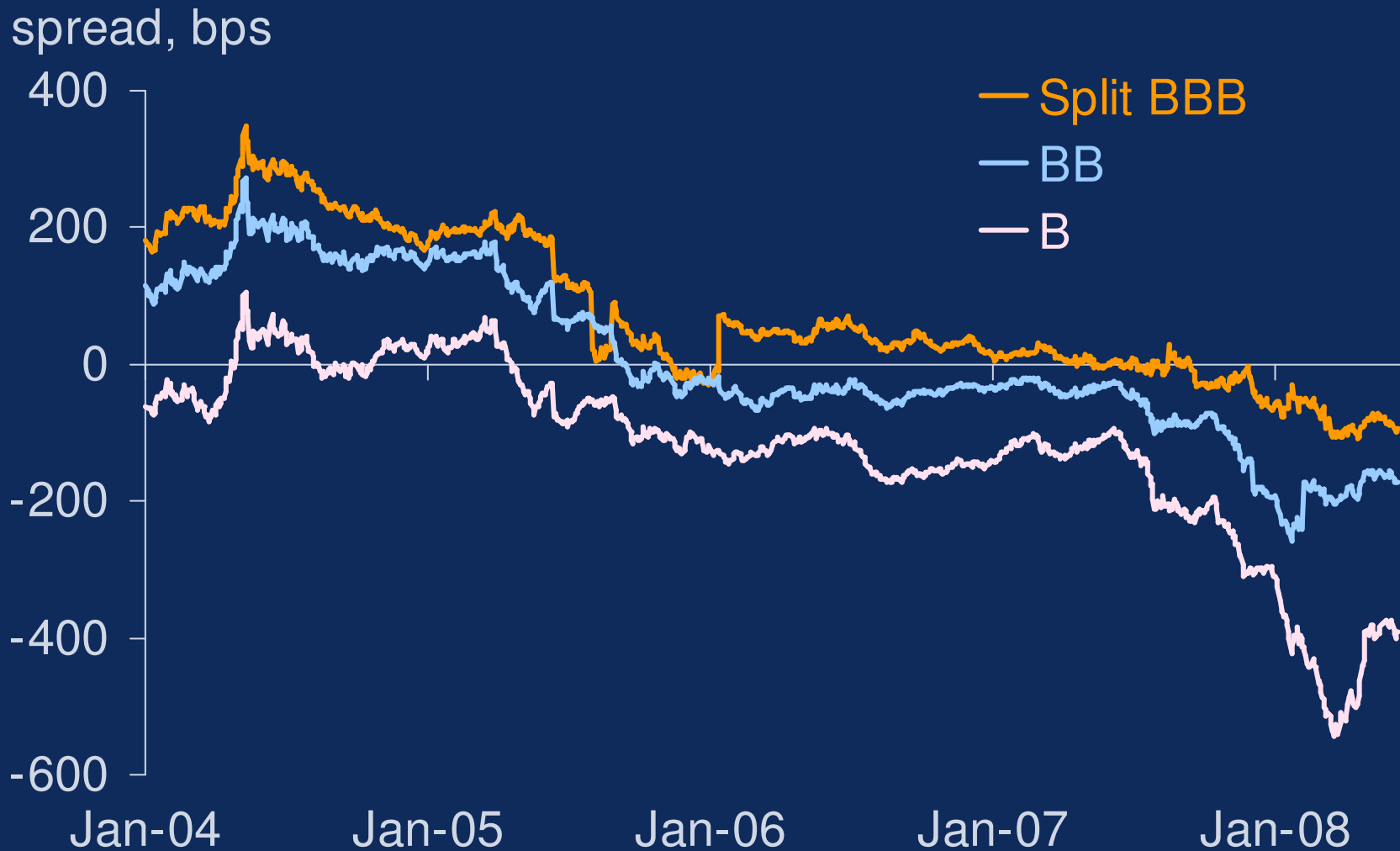
change in bps relative to market low



Equity Volatility and EM Bond Spreads

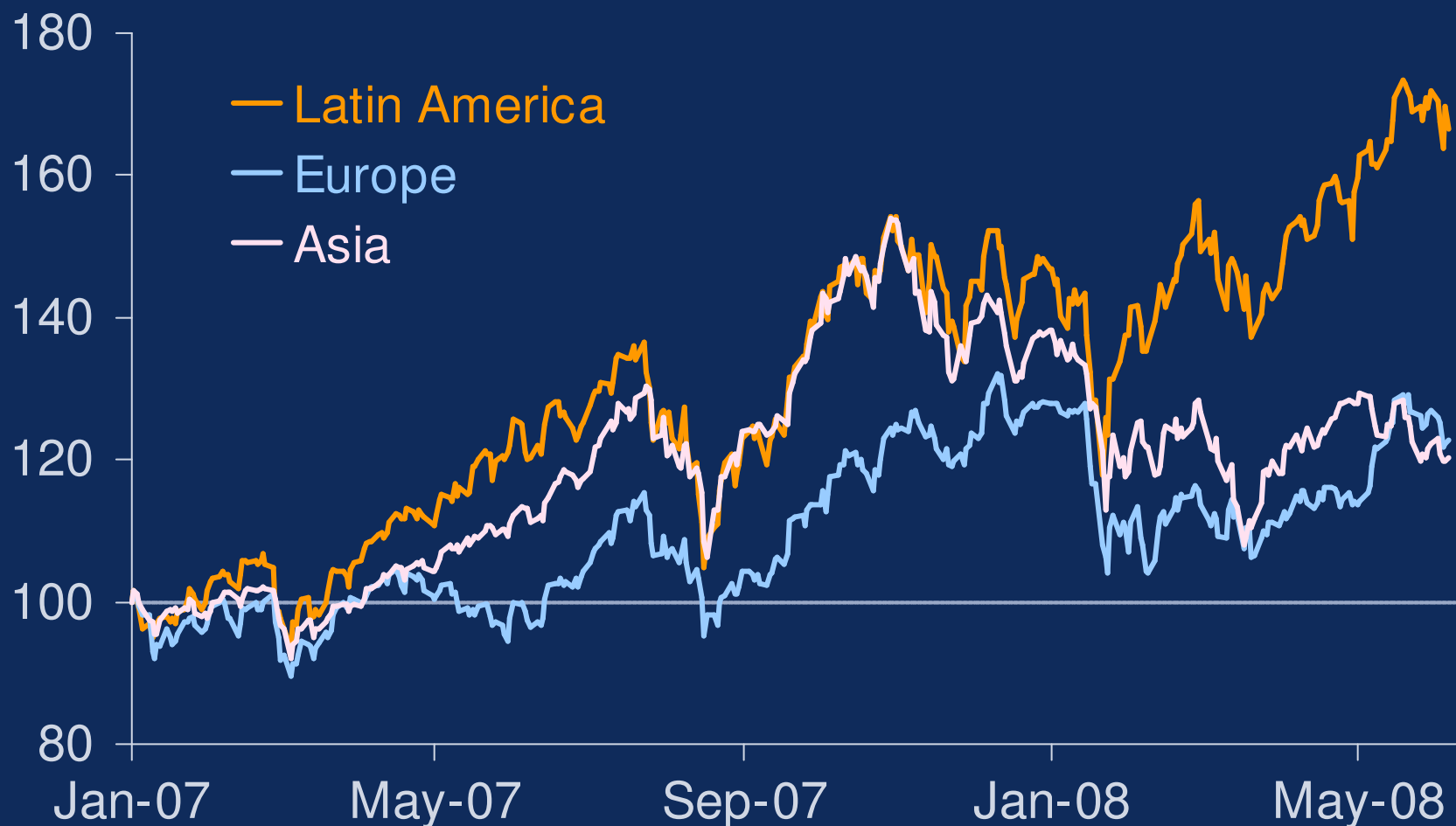


EMBIG vs. Developed Market US\$ High-yield

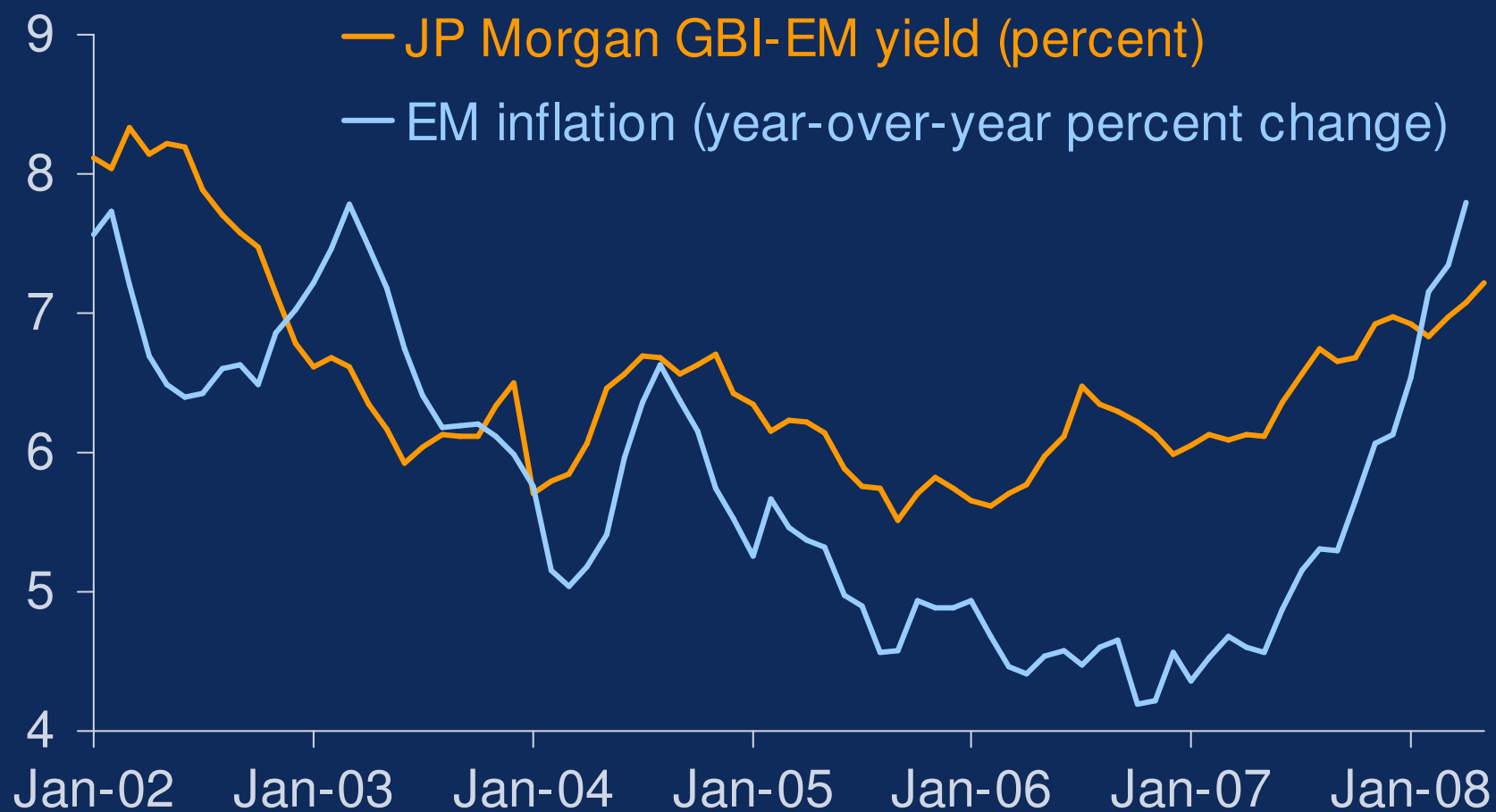


Emerging Market Equity Indices by Region

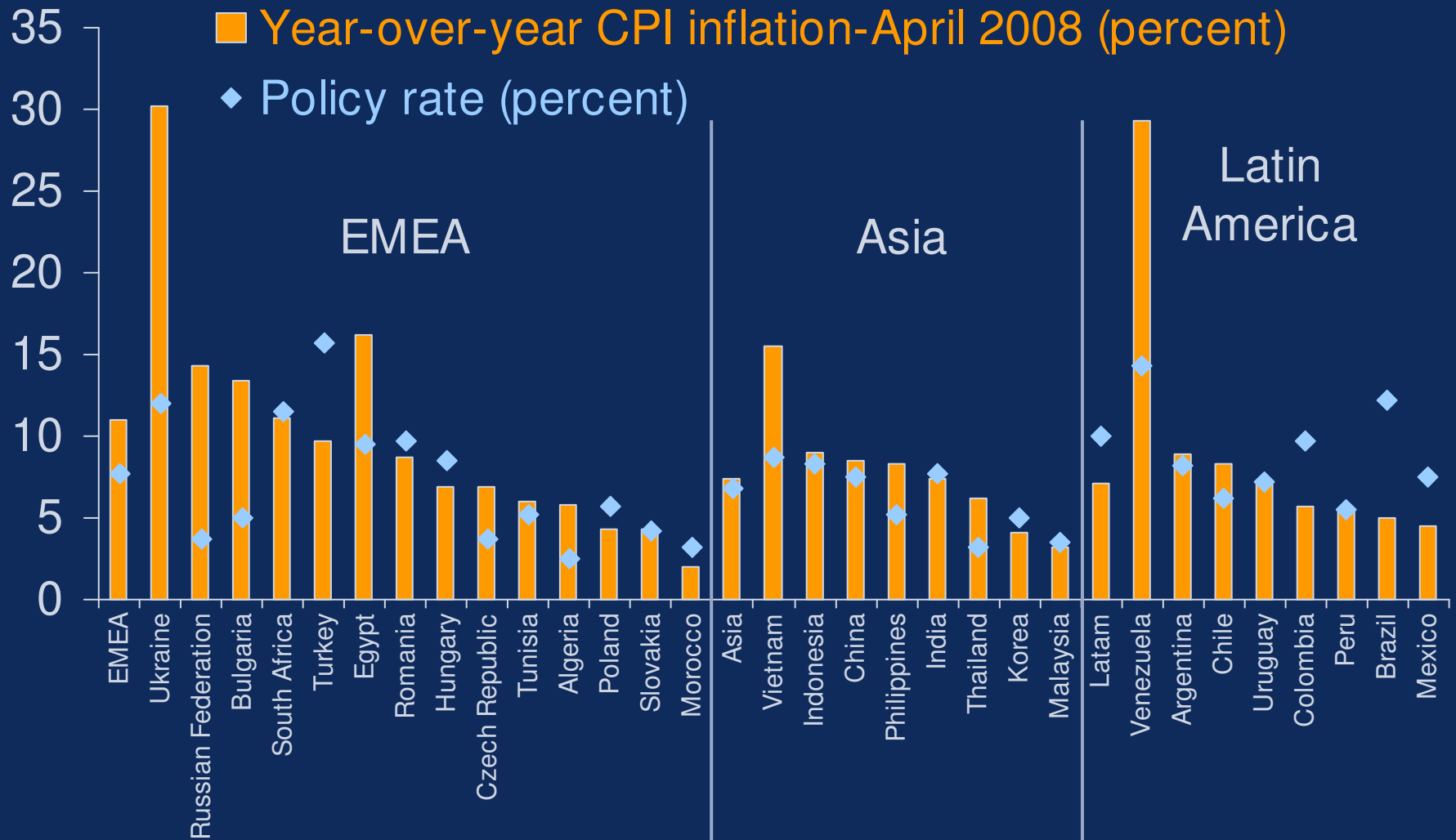
MSCI indices (US\$ returns), end-2006=100



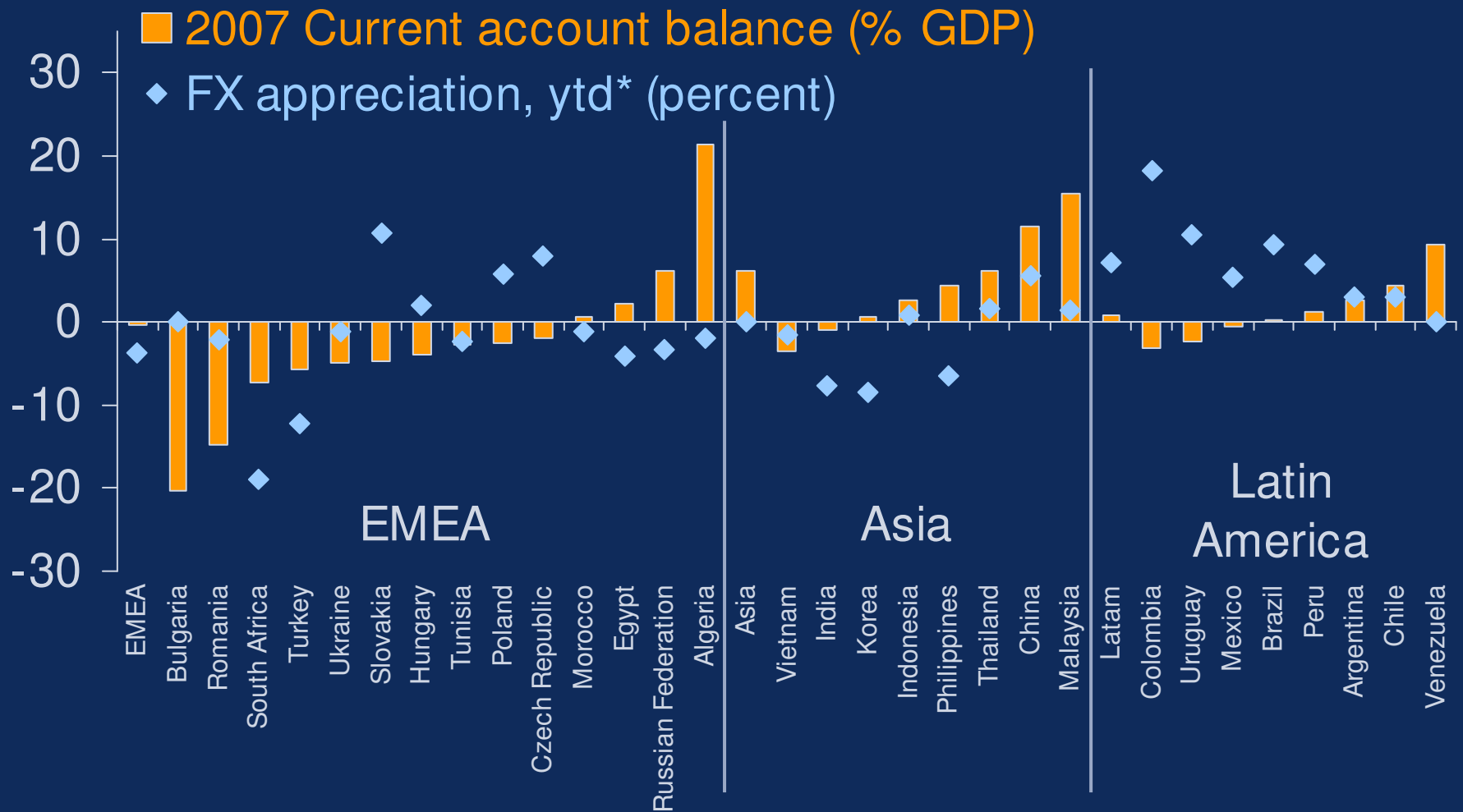
Emerging Markets – Local Currency Bond Yields vs. Inflation



Inflation and Policy Rates



Current Account and FX Change



* Asia and latin america: vis-à-vis the U.S. dollar. EMEA: vis-à-vis the euro.