

March 27, 2009



# The External Environment for Developing Countries

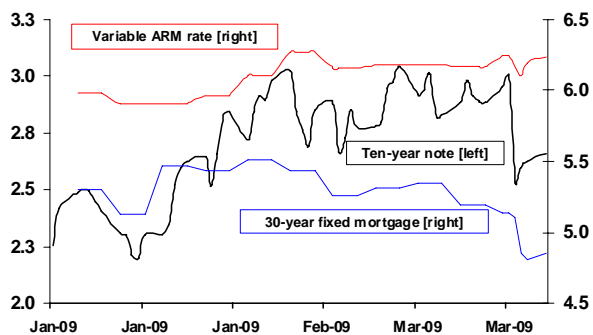
March 2009

## Overview

**Indicators suggest global GDP to decline again in first quarter of 2009.** Given the synchronous nature of the downturn the nexus of decline in business investment, exports and factory output has intensified into the first months of 2009, worldwide. Fixed investment—hit by diminishing access to credit (among other factors), dropped 22% in the United States in the final quarter of 2008 (saar); 20% in Japan and 10% in Europe. Investment fell (in tandem with GDP) in 15 of 16 developing countries for which quarterly NIA data is available. Investment in Malaysia plunged 40% (saar), Brazil (34%), Peru (33%), and Poland (13%).

### Federal Reserve's "quantitative easing" spurs quick fall in long rates

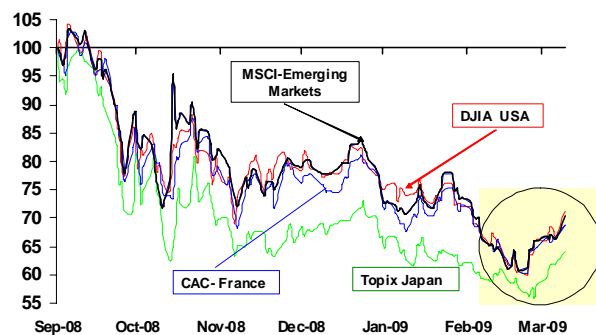
U.S. ten-year T-note, 30-year fixed- and ARM mortgage rates, percent



Source: Thomson/Datastream.

### ... sustaining longest equity rally since end-2008

Indexes: 100 on September 15, 2008 [Lehman Brothers]



Source: Thomson/Datastream.

**Trade is falling still more sharply**, causing manufacturers to put the brakes on output. Japan's exports are down 65% as of February (saar), with production declining 55% in January. Exports and production across the Asian NIEs have dropped in double digits. East Asia, Germany and the United States (producers of capital goods) have been particularly hit hard. A shift of trade's contribution to GDP to steep negative is a key factor complementing financial difficulties to affect GDP across a large number of countries in the current quarter.

**U.S. plans for financial support and regulation were announced** (or first implemented) by Treasury and the Fed in the last week, generally well received by markets, and helping to extend equity rallies. Treasury's plan to dispose of \$1 trillion in toxic assets in a joint public-private initiative was welcomed. This was quickly followed by purchase of \$7.5 billion in Treasuries, Agency- and mortgage backed securities by the Fed, as it kicked-off a more aggressive 'quantitative easing' approach. And Secretary Geithner's testimony for the House Financial Services Committee raised the issue of an immediate requirement for overhaul of the U.S. financial system. His testimony read "To address this will require comprehensive reform, not modest repair at the margin, but *new rules of the game*" (ital added).

**Capital flows fall in February.** Inflows to emerging markets dropped 17% to \$15bn in February, as bond issuance and bank lending faltered. Bonds dropped from \$9bn to \$6bn in the month; still Mexico (\$1.5bn) and Indonesia (\$3bn) placed issues despite weak market conditions. Only \$19bn in syndicated loans registered in the first months of the year, the lowest since 1995.

This monthly brief was prepared by a team of the Development Economics Prospects Group (DECPG), led by Hans Timmer, and comprising Mick Riordan (G-3 countries, foreign exchange, overall edits), John Baffes (trade), Betty Dow and Shane Streifel (primary commodities), Eung Ju Kim (finance), Cristina Savescu (production) and Gauresh Rajadhyaksha (high-frequency data and Annex). The note reflects the views of the team, but is not formally cleared by the World Bank Group.

## Global Indicators

## Global Indicators

(Percentage change per annum, unless otherwise specified)

|   | 2007        | 2008        | 2009f        | 2010f                |
|---|-------------|-------------|--------------|----------------------|
| <b>GDP volume:</b> World                      | <b>3.8</b>  | <b>1.9</b>  | 0.9          | 3.0                  |
| <i>Memo item:</i> World GDP at PPP weights    | <b>4.7</b>  | <b>3.1</b>  | 1.9          | 4.2                  |
| High-income countries                         | 2.6         | <b>0.8</b>  | -0.1         | 2.0                  |
| Developing countries                          | <b>8.2</b>  | <b>5.8</b>  | 4.4          | 6.0                  |
| <b>Industrial production:</b> World           | 4.4         | <b>0.7</b>  | ...          | ...                  |
| High-income countries                         | 2.4         | -1.7        | ...          | ...                  |
| Developing countries                          | 9.8         | 6.3         | ...          | ...                  |
| <b>Export volume (GNFS):</b> World            | <b>7.6</b>  | <b>4.1</b>  | -2.1         | 6.0                  |
| High-income countries                         | <b>6.4</b>  | <b>2.9</b>  | -3.7         | 5.1                  |
| Developing countries                          | <b>10.9</b> | <b>7.2</b>  | 2.1          | 8.1                  |
| <b>Trade Prices (\$):</b> Manufacturing (MUV) | 5.5         | 7.5         | 1.9          | 1.0                  |
| Oil (\$/bbl)                                  | 71.1        | 97.0        | <b>47.2</b>  | <del>47.8</del> 52.7 |
| Non-oil commodities                           | 17.1        | <b>21.0</b> | <b>-32.0</b> | <del>-30</del> -1.6  |
| <b>Nominal interest rates:</b>                |             |             |              |                      |
| \$LIBOR (6m percent p.a.)                     | 4.50        | <b>3.20</b> | 1.60         | 2.3                  |
| LIBOR (6m percent p.a.)                       | 4.50        | <b>4.80</b> | <b>2.20</b>  | <del>2.30</del> 2.8  |
| <b>Financial flows</b>                        |             |             |              |                      |
| FDI (\$billion)                               | 532         | 480         | ...          | ...                  |
| Gross Capital flows <sup>a</sup> (\$billion)  | 652         | 370         | <b>197</b>   | <del>252</del> ...   |
| Equity placement (\$bn)                       | 194         | 48          | <b>1</b>     | <del>25</del> ...    |
| Bond financing (\$bn)                         | 146         | 65          | <b>88</b>    | <del>104</del> ...   |
| Lending (\$bn)                                | 312         | 257         | <b>109</b>   | <del>122</del> ...   |

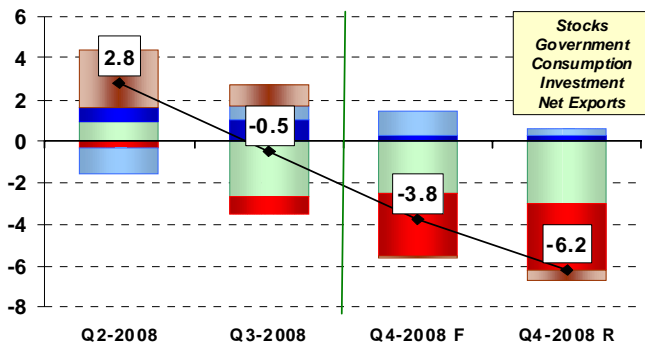
Source: DECPG, March 2009. Estimates and projections based on GEP-2009, released 12-9-2008.

Note(s): a. Gross inflows 2009 based on year-to-date figures. Figures in **bold** represent changes this month.

## United States

### U.S. GDP revised to substantial 6.2% decline in fourth quarter 2008

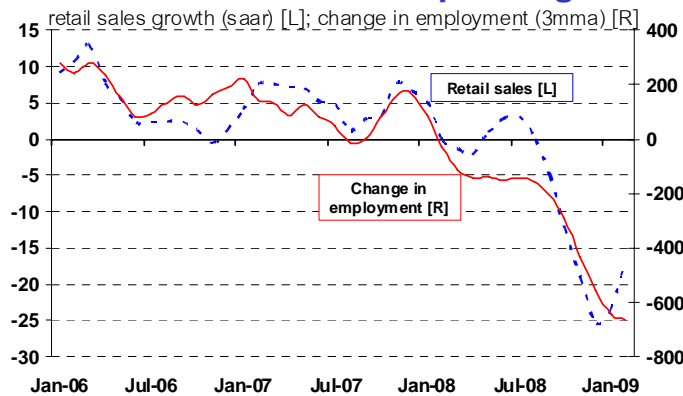
growth of real GDP, and contributions to growth in percentage points



Source: Department of Commerce and DECPG calculations.

**GDP declines 6.2%.** Inclusion of additional data increased the pace of decline in U.S. GDP from 3.8% to 6.2% (saar) for the final quarter of 2008, with outturns for components of demand, trade and inventories moving adversely. The falloff is the deepest recorded since recession in 1982. Personal spending dropped a steep 4.3% from a decline of 3.5% estimated earlier, the worst in 30 years. Business investment fell more than at first thought (21.3%); and U.S. exports contracted at a sharp 23.6% pace. This news, together with data for the first months of 2009 is not encouraging for a pickup in the economy during the first half of the year. Sharp declines in production and sales are leading to record job losses and lower household spending.

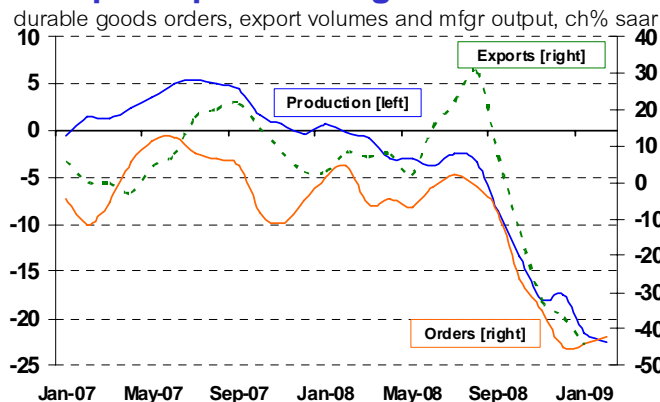
### Continued employment losses affecting incomes and retail spending



Source: U.S. Departments of Commerce and Labor.

**Job losses hit retail hard.** Employment losses averaged 650,000 in each of the four months through February; since the “official” onset of recession in December 2007 some 4.4 million jobs have been lost. Retail sales have been hurt by the rise in unemployment and decrease in incomes that coincide. Sales fell sharply on an annualized basis to decline of 26% through December (saar); but with extended deep discounts on post-holiday stocks, a modest pickup in turnover emerged in the first months of 2009. Such development is welcome but unlikely to be sustained, as job- and income losses continue to mount.

### Virtual collapse in manufacturing and exports pressures growth further

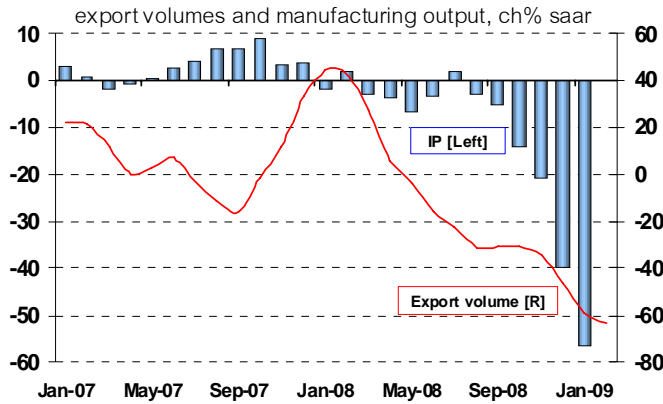


Source: Federal Reserve, Department of Commerce.

**A vicious circle.** Job losses are now sweeping across a wider segment of the economy, to include professional services and retail, complementing the long slide in factory and construction jobs. But trade and related employment in manufacturing are now highly vulnerable. As in Europe and Japan, U.S. exports and production are in virtual collapse as trade partners succumb to recession. GDP will continue to be pressured by these developments, highlighting the substantial global ties at the fore in this recession. As of February, U.S. durable goods orders and export volumes plunged 45% (saar), with factory production off more-than 20%.

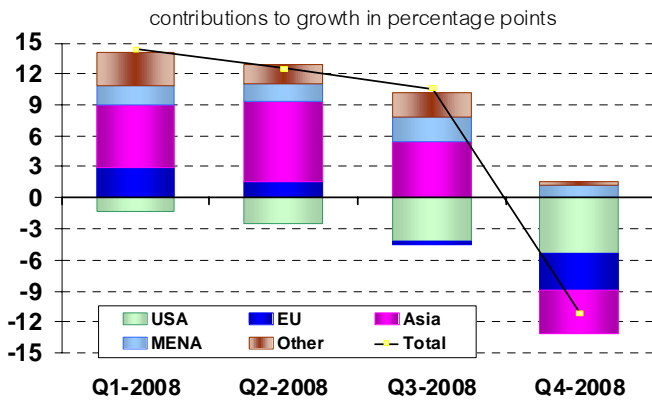
# Japan

## Japan's trade and production falling from a veritable "cliff" through February



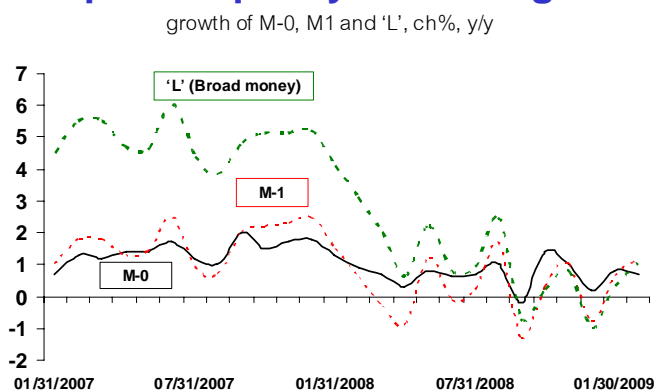
Source: Bank of Japan and Japan Cabinet Office.

## United States and Asia account for the bulk of the decline in Japan's exports



Source: National Sources through Thomson/Datastream.

## Japan's liquidity inches higher



Source: Bank of Japan.

**Achilles heel.** During the final quarter of 2008, trade exacted a monumental toll on Japan's growth, as exports dropped an unprecedented 45% (saar) while imports gained 12.5%—subtracting 5 full points from growth, leaving GDP down 12.1% for the quarter. This trend has continued and intensified through February 2009 as—in a situation similar to that in the United States and Europe—demand in key trade partners declines rapidly as recession hits home. Without respite soon, another double-digit falloff in Japan's GDP could materialize for the first quarter of 2009. During February, export volumes fell 5%, on the heels of a record 12% monthly falloff in January; which together carried exports down by an 65% in the three-months to February (saar); following trade closely, production dropped by an incredible 56% on the same measure in January.

### Declines in shipments to U.S. and Asia.

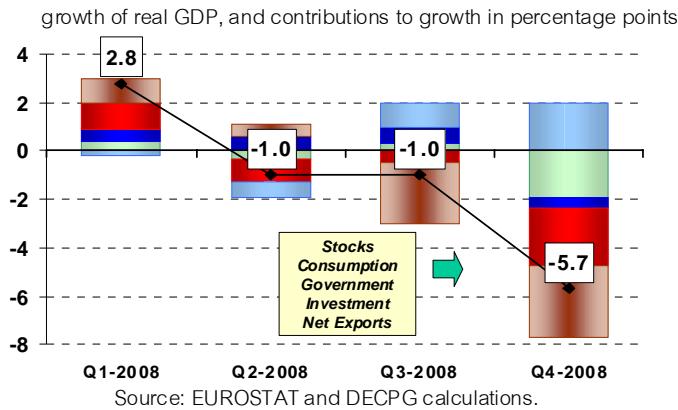
The United States remains Japan's principle market, with a 20% share of exports in 2008; followed by China (15%), the European Union (15%) and the many economies comprising 'Asia excluding China' (33%). Over the course of 2008, Japan's exports to each of these groups deteriorated quite sharply—first to the United States, next the EU, and by the fourth quarter of the year, only the Middle East and smaller partners continued to be purchasers of Japanese goods. The stiffest declines in shipments had been to the United States (27%), Europe (23%) and other Asia (12%), leading the former to contribute 5.5 points to the export decline, the EU 3.5 points and other Asia 3.8 points. A quick turnaround in these markets seems unlikely.

### QE gets underway.

The Bank of Japan stated at mid-March that it would purchase up to \$10 billion in subordinated loans from commercial banks in an effort to spur lending and ease the recession—this as part of a broader plan of quantitative easing to increase liquidity. The plan is likely to encompass continued direct BOJ purchases of commercial paper and corporate bonds, with the further possibility of buying exchange-traded funds, to help shore up equity markets which had declined by some 18% over 2009 to date.

## Euro Area

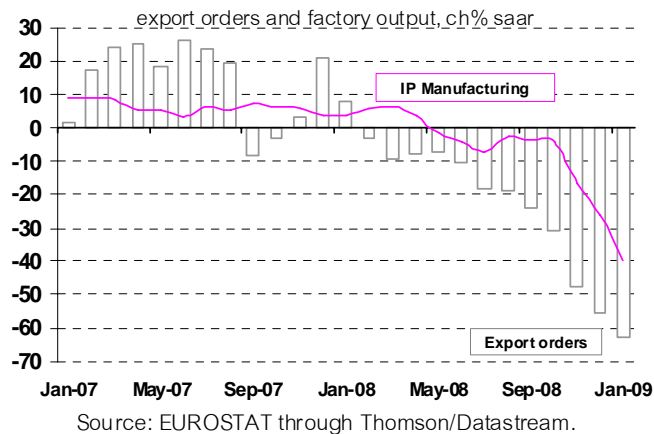
### GDP in Euro Area falls sharply on investment and exports



### GDP contracts on trade and investment.

Following February's "flash" estimate, details were provided by Eurostat to fill-out the story underlying the large 5.7% decline in Euro Area GDP in the final quarter of 2008 (saar)—the worst such contraction in recent memory. A precipitous falloff in net trade played the biggest role, subtracting 3 points from growth; exports plummeted 26%, imports 20%, as recession increasingly came to affect Europe's export markets. As exports and production fell sharply, investment was scaled-back by 10.5%, as prospective demand waned and the cost of capital skyrocketed. And European households retrenched, with spending down 3.4%. These figures were sufficient to prompt widespread downgrading of prospects for 2009, and recent data have continued much in this line.

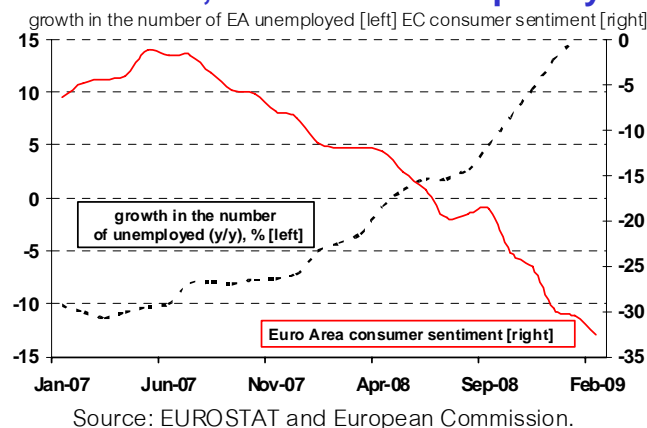
### Trade is sapping the German economy of any forward momentum



### Trade continues to undercut growth.

Germany's GDP release of February 25<sup>th</sup> took markets aback, as an 8.1% contraction (saar) had not been witnessed in 22 years. Exports declined 26% in the quarter, complemented by a 13% falloff in imports (saar), such that net exports subtracted 7.5 points of growth. This trend is continuing and accelerating. Export orders dropped 11.5% in January alone (m/m) carrying the momentum of orders to an extraordinary decline of 63% in the month (saar); and exports have followed in step, off 47%. Against this background, factory production is in a 40% freefall, and the toll in jobs, incomes and domestic spending is mounting.

### European labor markets begin to weaken, sentiment falls quickly

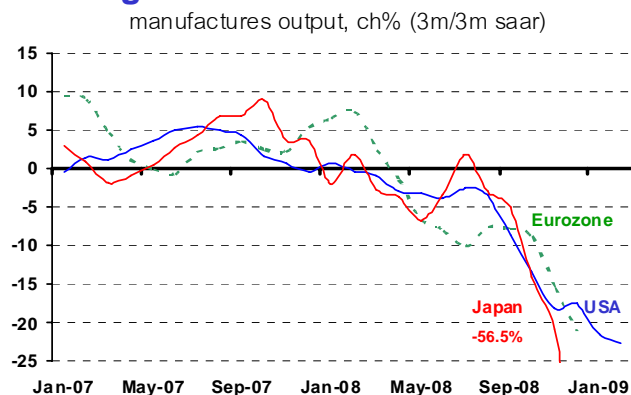


### Labor markets weaken.

European payrolls contracted by the most on record during the fourth quarter of 2009. Employment in the Euro Area contracted 0.3% the largest since records began to be kept in 1955. And January's toll was less encouraging, with the number of unemployed increasing to 12.7 million pushing the unemployment rate to 8.2% from 8.1% in December. Growth of the dole queue has accelerated to a 15% year-on-year pace.

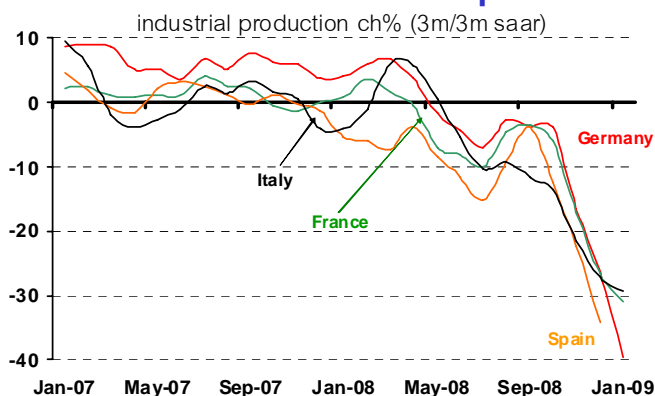
## Industrial Production

### Manufacturing output collapses across high-income OECD countries



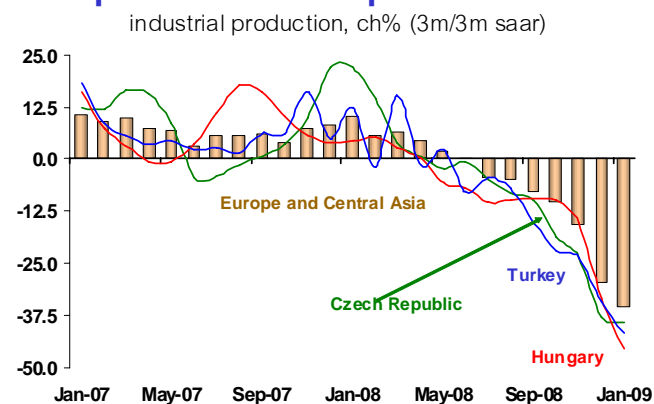
Source: Thomson/Datastream, DECPG.

### Industrial output decline intensifies in Europe



Source: Thomson/Datastream, DECPG.

### Industrial output collapses in ECA as trade partners fall deeper into recession



Source: Thomson/Datastream, DECPG.

### Factory output falls across OECD.

Manufacturing output has effectively collapsed across high-income countries over the fourth quarter of 2008 and into the first months of 2009. This has fueled expectations that the OECD is in for a deeper-than-earlier anticipated recession. In Japan, factory output plunged 56.5% in the three months through January 2009 (saar), the worst performance since the early 1990s, as external demand for capital goods and autos tanked. Performance in the Euro Area and the United States was dismal, with momentum at negative 21% for the former in January, and 22.6% for the latter during February. Factory orders are experiencing almost a freefall (down 65% in Japan (saar)) and point to continuation of substantial output declines in coming months.

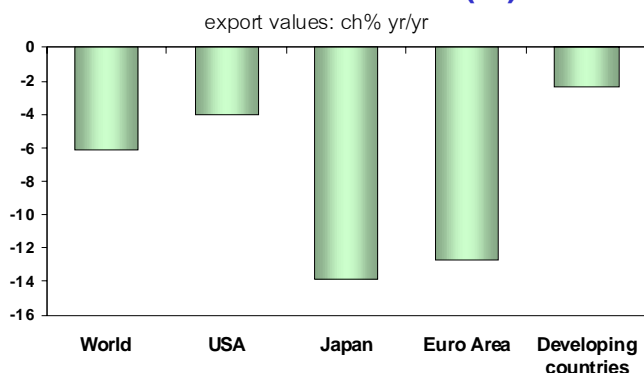
**Declines intensify in Europe.** The sharp decline in demand for manufactured goods (both within the Euro Zone, and increasingly, from overseas) has translated into substantial declines in production across the member states, especially in countries specialized in capital goods, high-tech, and autos and that are highly reliant on export markets. For example German factory output fell 7.5% in January from the previous month, the sharpest decline since reunification, after having contracted a massive 50% during the fourth quarter (saar). France experienced the largest IP fall on record in January, down 13.8% (y/y) as output dropped 3.1% on the month. Continued declines in production are likely as recession intensifies during 2009's first quarter.

**ECA economies battered.** Industrial output contracted sharply in the fourth quarter of 2008 in a number of Central and Eastern European countries, hit hard by plummeting demand from Western Europe. ECA output fell a large 30% (saar) during the quarter. Growth momentum is expected to remain in negative territory for the first quarter of 2009 as weaker external and domestic demand adds to downward pressure on factory output.



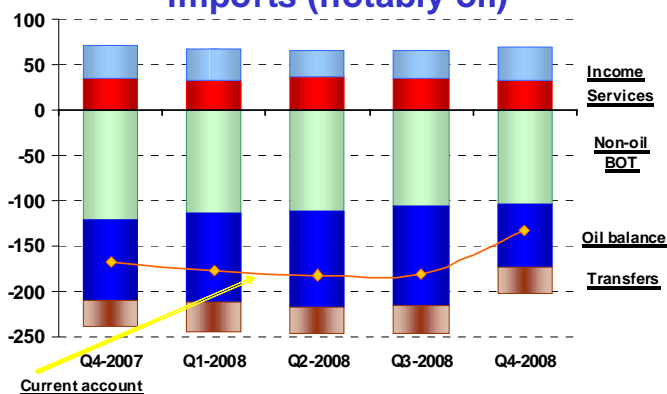
## International Trade

### Growth of world trade in dollars Q4-2008 / Q-4 2007 (%)



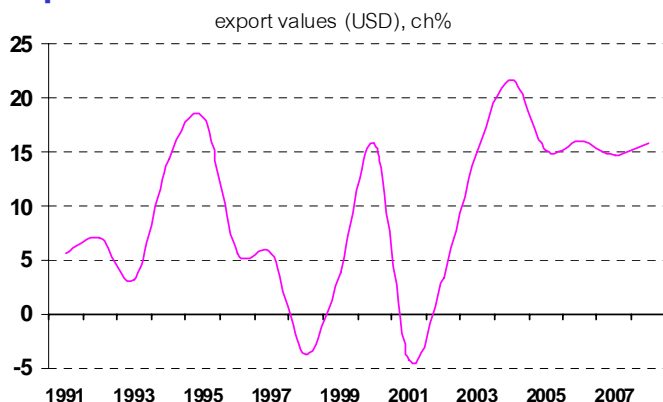
Source: National Agencies through Thomson/Datastream.

### U.S. current balance improves in fourth quarter on falloff in goods imports (notably oil)



Source: Department of Commerce.

### World trade has averaged 10% growth per annum over the last 2 decades



Source: National Agencies through Haver Analytics.

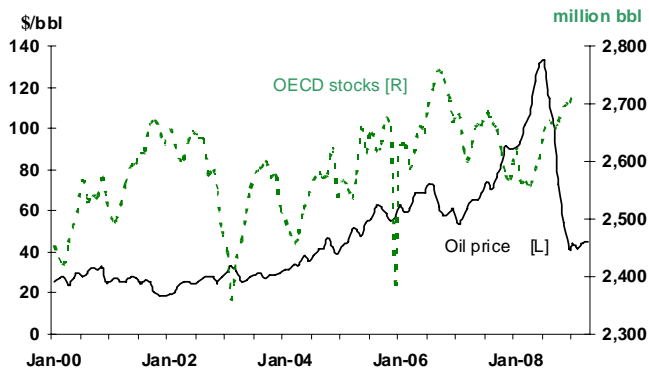
**World trade continues to contract.** World trade (nominal exports in dollars) declined 6.1% in the fourth quarter of 2008 contrasted with year-earlier levels, led by high-income OECD countries. Notably, Japan's exports declined 14%, followed by the Euro Area (12.8%). U.S. exports fell by less (4%) in part due to the appreciation of the dollar. Within Europe, countries worst hit have been Finland (19.7%), France (15.2%), Spain (15.5%), and Germany (14.7%). Exports from developing countries contracted only 2.4% in the quarter, as they were underpinned by China where exports remained in positive territory. But trade performance has worsened for both industrial and developing countries during the first months of 2009. For example, China's February exports dropped some 27% from February 2008 levels.

**U.S. current account balance improves.** A sharp \$40 billion falloff in the U.S. deficit on oil trade during the fourth quarter, reflecting lower oil prices and 4-5% declines in domestic consumption, was the key to an improved U.S. position for the quarter and for 2008 as a whole. The shortfall on current account narrowed as a share of GDP from 5% in the third quarter to 3.7%. And for 2008 as a whole, the change in position is more pronounced, shifting by \$60 billion from deficit of \$730 billion in 2007 (or 5.3% of GDP) to red ink of \$672 billion (4.7%). Given the depth of global recession and continued contraction of world trade in general the U.S. deficit on external accounts should show additional improvement—in line, hopefully, with a net increase in household savings.

**World trade now in virtual in free fall.** World trade as measured by nominal exports is experiencing perhaps, the sharpest decline in modern history. Global trade declined more than 14% in December 2008 from a year ago, following another decline of 12% a month earlier. During the past two decades, world trade has increased at an average 10% per year. Yet, most of the growth took place during the past five years when trade more than doubled from \$6.1 to \$13.3 trillion.

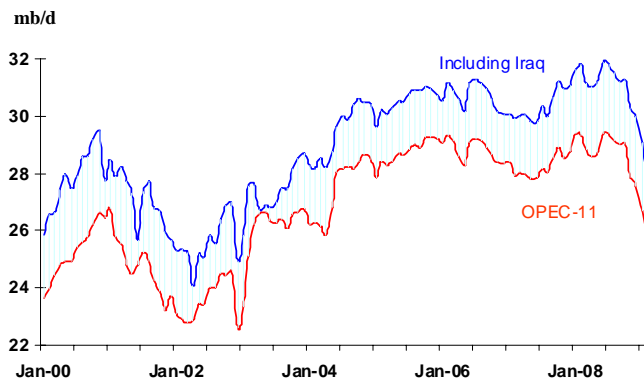
## Commodity Prices

### OECD oil stocks remain high



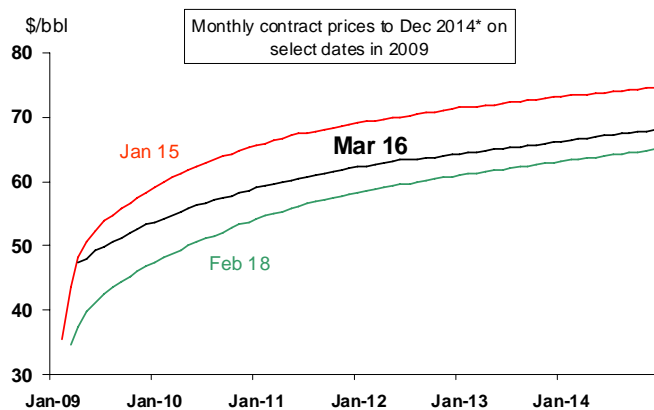
Source: IEA and DECPG Commodities Group.

### OPEC oil production drops sharply



Source: IEA and DECPG Commodities Group.

### WTI Futures Prices - NYMEX



Source: NYMEX.

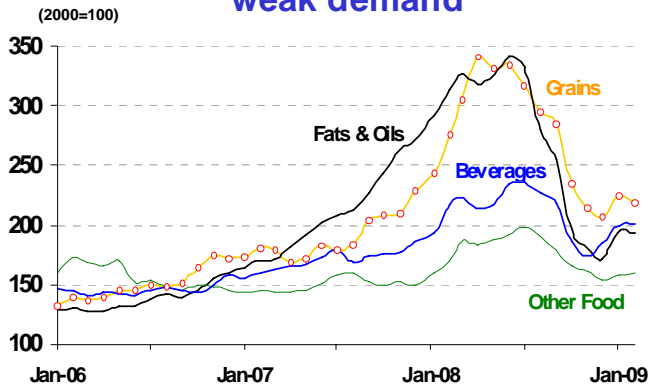
**Oil prices firm on supply cuts.** Crude oil prices (WB average) continue to trade in a narrow range, averaging \$43.90/bbl over the year to date. Recently prices have been trending higher on OPEC production cuts. U.S. inventories remain high but stocks are now easing as OPEC removes surplus oil from the market. With steep recession, global oil demand will fall 3% in Q1-09 (y/y) and drop by 1.5mb/d (2%) for 2009. Non-OPEC supply continues to be scaled back due to lower capital outlays and technical problems—the latest, a downgrade of 0.3mb/d to Azerbaijan’s production linked to gas leaks and power problems last fall. Little growth is expected in non-OPEC supplies in 2009.

**No OPEC output cuts.** OPEC met March 15<sup>th</sup> and agreed to leave quotas unchanged, given “the worst global recession in decades.” OPEC acknowledged the recession’s sharp impact on world oil demand, but also welcomed initial signs of reversal in crude oil stocks. The group had agreed to a combined 4.2mb/d quota reduction in September, and says it has achieved 79% of that target. OPEC will concentrate on full quota compliance, as reductions in production have been unbalanced. Saudi Arabia produced slightly below target in February, while all other members were above. The largest over-producer was Iran, above by more-than 0.3mb/d. OPEC meets next on May 28<sup>th</sup>.

**Forward curve begins to flatten.** The forward price curve for WTI crude oil futures has begun to flatten, as crude inventories start to fall—particularly at Cushing Oklahoma, the physical delivery point for NYMEX-WTI. Inventories had approached operational limits at Cushing, pushing the forward curve into steep ‘contango’ (nearby prices below futures prices), contributing to some 60 million barrels being stored in tankers at sea. Some of this oil has started to move ashore as contango narrows, but large surplus remains. The improving U.S. balance has also helped push the price of WTI above Brent in recent days, restoring the typical relationship between the crudes.

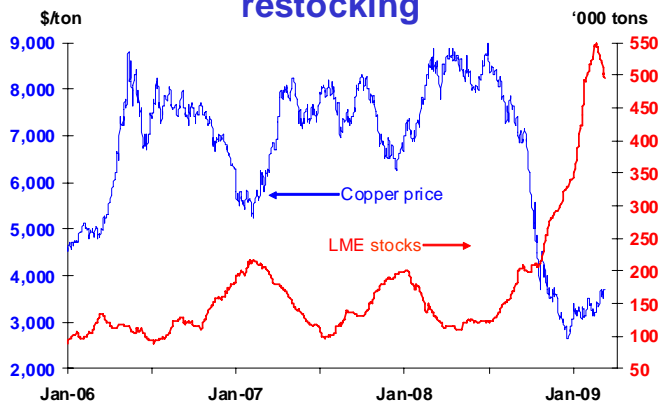


### Food prices slip in February on weak demand



Source: DECPG Commodities Group.

### Copper prices rise on Chinese restocking



Source: LME and DECPG Commodities Group.

### Freight rates revive on stronger trans-PAC bulk shipments



Source: Datastream and DECPG Commodities Group.

### Ag prices fall in February; grains stronger in March.

Agriculture prices fell 0.8% in February with declines across most commodities, due to weaker global demand, the stronger dollar and improved supply prospects. A key exception was sugar, which increased 5% on expectations that India will become a net importer. Wheat prices dropped 6% on large increases expected for global production, while maize and sorghum prices fell on reduced demand for food, feed and bio-fuels. Wheat and corn prices, however, leapt 8% in March on concerns of the effects of drought on the U.S. winter wheat crop; and as corn plantings in the United States are expected to fall this year in favor of soybeans. Cotton acreage is also likely to decline, but prices are falling on weak demand.

### Metals prices rise on stocking in China.

Copper prices have increased 27% this year, jumping of late due to a sudden draw in LME inventories headed for China. Total Chinese copper imports in February surged 45% (y/y) on strategic stocking by the State Reserves Bureau (SRB). Copper prices have also been supported by production cutbacks and a sharp fall in scrap; but consumption remains weak—particularly outside China, where demand is likely to contract 15% in 2009. The SRB has also been stocking zinc and aluminum, but these purchases are largely geared to support domestic metals producers. While zinc prices are up 10% this year, aluminum prices are down 10% with the market chronically oversupplied.

### Baltic Dry Index rebounds.

The Baltic Dry Index—charter rates for dry bulk vessels on trans-Pacific routes—jumped back to near 2,300, the highest level since October, and more- than triple the recently depressed levels caused by plunging demand and financial constraints. The increase is due to rising bulk shipments to China, notably iron ore from Brazil, India and Australia, and surging thermal and coking coal imports from Australia. Increased shipments of grains from Latin America have also emerged of late. Vessel supply remains tight, as earlier many ships had been taken off market due to shipping company bankruptcy fears; and expansion of new capacity is being delayed.

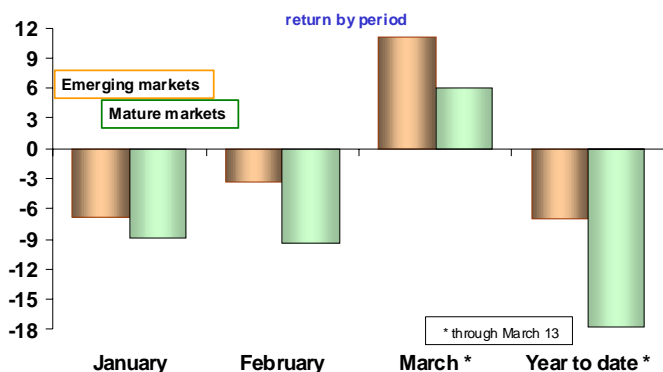
## Lending falters in early 2009 as banks deleverage and build capital

Gross capital flows to emerging markets

| \$ billion   | 2007 |       | 2008 |     |     |       | 2009 |     |
|--------------|------|-------|------|-----|-----|-------|------|-----|
|              | Q1   | Total | Jan  | Feb | Q1  | Total | Jan  | Feb |
| Total        | 164  | 652   | 30   | 33  | 103 | 370   | 18   | 15  |
| Bonds        | 58   | 146   | 7    | 2   | 12  | 65    | 9    | 6   |
| Banks        | 79   | 312   | 17   | 28  | 71  | 257   | 10   | 9   |
| Equity       | 26   | 194   | 6    | 3   | 20  | 48    | 0    | 0   |
| Lat. America | 38   | 156   | 9    | 4   | 19  | 80    | 9    | 10  |
| Bonds        | 20   | 45    | 4    | 0   | 5   | 20    | 5    | 3   |
| E. Europe    | 82   | 247   | 5    | 16  | 36  | 155   | 6    | 1   |
| Bonds        | 28   | 64    | 1    | 2   | 4   | 35    | 2    | 0   |
| Asia         | 27   | 188   | 14   | 9   | 38  | 92    | 3    | 3   |
| Bonds        | 8    | 23    | 3    | 0   | 3   | 7     | 2    | 3   |
| Others       | 16   | 61    | 2    | 3   | 11  | 43    | 0    | 0   |

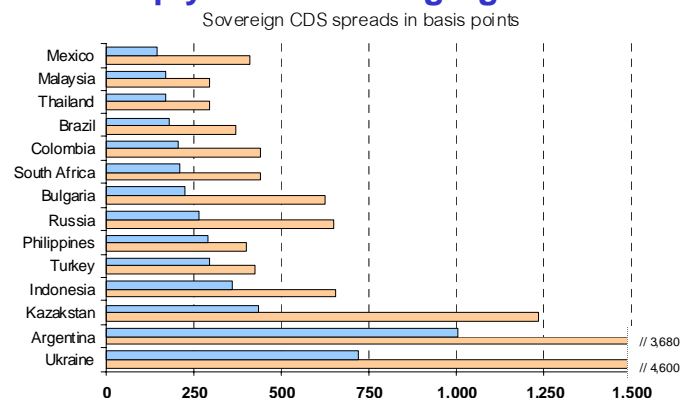
Source: DECPG Finance Team.

## EM equities outperform mature markets over 2009 to date



Source: Morgan-Stanley through Thomson/Datastream

## Sovereign credit risk has increased sharply across emerging markets



Source: Bloomberg and DECPG Finance Team.

## International Finance

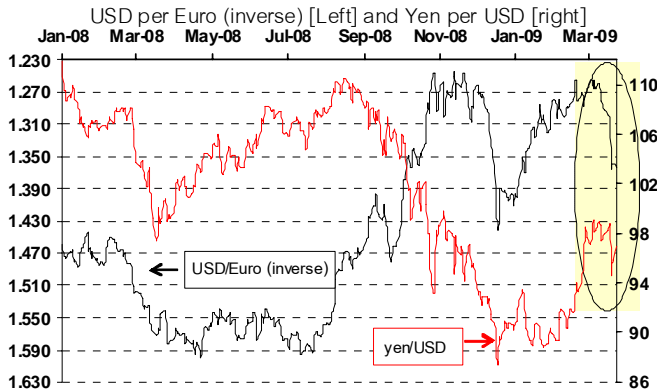
**Syndicated lending falters.** Capital flows to emerging markets fell to \$15 billion in February from \$18 billion in the preceding month as bond issuance and bank lending faltered. Bonds dropped from \$9 billion to \$6 billion in the month, with sovereigns dominating activity. Mexico (\$1.5bn) and Indonesia (\$3bn) placed global bonds despite weak market conditions. Corporate issues thus far in 2009 have been limited to high-grade borrowers, implying virtual shut-down for higher-risk firms. Only \$19 billion in syndicated loans have been raised during the first months of the year, the lowest since 1995. Restrained supply from western banks accounts for the bulk of the decline in lending to emerging markets. And equity remains severely depressed with a single \$5 million IPO deal in the month.

**Stocks rally in March.** Following retrenchment over January and February, global equities bounced back at mid-March, led by financials, as investor sentiment improved amid a renewal of optimism on the economic outlook (temporary?!) Emerging market (EM) stocks fared better in March, posting an 11% gain contrasted with a 5% advance in mature markets. Returns have posted similar patterns, with emerging markets dropping 7.1% compared with a 17.8% decline for developed markets. This is indeed a surprising development, as in times of financial stress investors tend to repatriate funds from EM assets in a broader flight to safety.

**Sovereigns viewed with heightened risk.** The sharp increase in EM sovereign credit default swaps (CDS) starting in October 2008, reflects growing investor concern of the risk that governments default on external debt. The widening of spreads was much more pronounced in select countries, including Argentina, Ukraine, Kazakhstan and Turkey, countries with high external financing requirements. For example, Ukraine's five-year CDS spread increased from 700 basis points last September to over 4,500 bps currently (a cost of more-than \$4.5 million to insure \$10 million of debt over five years). Demand for protection to hedge country risk amidst the global downturn has also driven CDS spreads higher for many countries.

## Currencies

### Dollar continues gains against euro and yen until FOMC of March 18

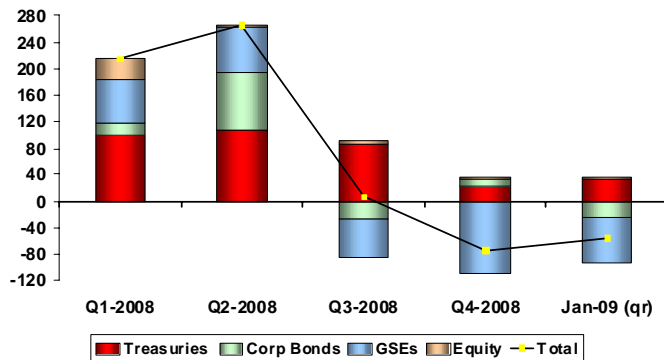


Source: Thomson/Datastream.

**Dollar slips on Fed QE announcement.** The dollar continued to ramp higher against euro and yen over the course of February and into early March, picking up 9.2% vis-à-vis the yen and 1.1% against the euro. This appears due to foreign funds seeking the haven of Treasury notes (after a sharp falloff in foreign net inflows during January, see below). But in the wake of the March 18 FOMC meeting, following the Fed's announcement of massive (\$1 trillion plus) planned purchases of Treasury and Agency notes, as well as mortgage-backed securities from private holders, the dollar lost traction as the market envisioned lower long-term rates ahead. Since the FOMC meeting the euro gained 4.5% to stand at \$1.3622 on March 23; the yen a more moderate rise to ¥96.95.

### Net foreign purchases of U.S. assets turn to outflow as of the fourth quarter

net foreign purchases USD billions

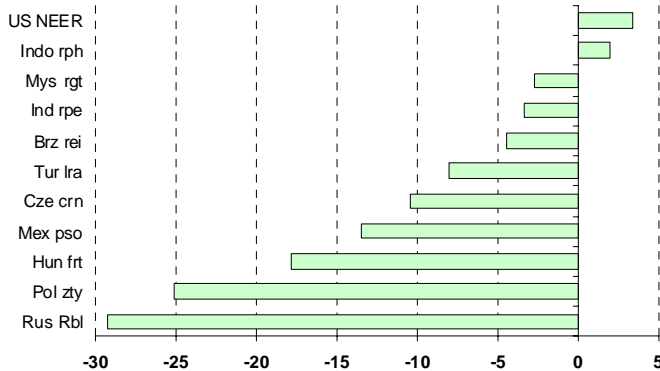


Source: U.S. Treasury 'TICS' database.

**Foreigners large net sellers.** Treasury data show that the U.S. external financing position was precariously balanced at "zero" during the third quarter of 2008, as foundations for Freddie and Fannie (GSEs) became less stable, and heightened risk on corporate bonds yielded net outflow on these assets of some \$60 billion and \$25 billion respectively. After the Lehman debacle hit markets in October, foreigners turned large net sellers of the GSEs, reduced net purchases of Treasuries, bonds and equities such that the U.S. witnessed net outflows in the quarter. This development continued into January 2009 and may come to undermine the greenback in coming months.

### Emerging market currencies down vs the dollar over 2009 to date

percentage change (USD per LCU) (%)



Source: Thomson/Datastream.

**EM currencies continue decline.** The dollar's ups and downs against the major currencies seem to be carrying less influence on emerging market units than do conditions in the economies of these countries themselves. Several currencies in the ECA region have weakened on the back of lower oil revenues and economic activity (Russia), financial and current account difficulties to varying degrees, (Hungary, Poland, Czech Republic). The Brazilian unit has come under moderate pressure, as have several in East Asia, including the Malaysian ringgit, Indonesia rupiah and Indian rupee.

**Table A.1 Global industrial production growth***(constant prices; percent; seasonally adjusted annual rates except monthly figures which are in percent change over previous month a/)*

|                              | Weights | Average |      |      |      | 2008  |       |       |       | 2008  |       | 2009  |      |
|------------------------------|---------|---------|------|------|------|-------|-------|-------|-------|-------|-------|-------|------|
|                              | 2000    | 1999-08 | 2006 | 2007 | 2008 | Q1    | Q2    | Q3    | Q4    | Nov   | Dec   | Jan   | Feb  |
| <b>World</b>                 | 100.0   | 2.7     | 4.5  | 4.4  | 0.7  | 3.7   | 0.2   | -4.4  | -20.9 | -3.3  | -3.5  | -3.5  | ..   |
| <b>High-income countries</b> | 77.2    | 1.5     | 3.0  | 2.4  | -1.7 | 0.4   | -3.2  | -5.8  | -23.0 | -3.6  | -4.0  | -4.1  | ..   |
| Industrial countries         | 72.7    | 1.5     | 3.1  | 2.6  | -1.9 | -0.1  | -3.4  | -5.9  | -22.8 | -3.5  | -4.1  | -3.9  | ..   |
| United States                | 25.1    | 1.4     | 2.2  | 1.7  | -1.8 | 0.4   | -3.4  | -8.8  | -12.1 | -1.3  | -2.4  | -1.9  | -1.4 |
| Japan                        | 17.3    | 1.1     | 4.1  | 2.9  | -3.1 | -1.8  | -3.6  | -4.6  | -39.5 | -8.0  | -9.4  | -9.1  | ..   |
| Euro Area                    | 22.9    | 1.2     | 3.4  | 2.8  | -2.0 | 0.6   | -4.7  | -4.6  | -23.6 | -3.1  | -3.1  | -4.0  | ..   |
| United Kingdom               | 4.1     | -0.3    | 0.7  | 0.1  | -2.8 | -1.4  | -4.6  | -6.8  | -16.7 | -2.4  | -1.5  | -2.6  | ..   |
| Other high income            | 4.5     | 2.3     | 1.6  | 0.6  | 2.8  | 13.7  | -2.4  | -2.6  | -29.5 | -4.8  | -2.8  | ..    | ..   |
| Hong Kong (China)            | 0.2     | -3.2    | 2.4  | -1.6 | -6.0 | -10.9 | -6.0  | -12.5 | -6.1  | 1.0   | 4.0   | ..    | ..   |
| Singapore                    | 0.4     | 6.3     | 12.0 | 6.4  | -4.1 | 45.1  | -41.5 | 3.1   | -26.7 | 2.9   | -7.3  | -9.7  | ..   |
| Taiwan (China)               | 1.1     | 4.7     | 4.6  | 8.2  | -1.3 | 0.6   | -4.2  | -13.1 | -62.2 | -18.4 | -4.7  | -15.3 | ..   |
| <b>Developing countries</b>  | 22.8    | 6.6     | 8.8  | 9.8  | 6.3  | 10.7  | 8.2   | -1.6  | -15.1 | -2.5  | -2.2  | ..    | ..   |
| East Asia and Pacific        | 8.7     | 11.4    | 13.0 | 15.0 | 11.2 | 17.6  | 15.5  | -0.3  | -10.5 | -1.7  | 0.7   | ..    | ..   |
| China                        | 6.3     | 13.8    | 16.5 | 17.7 | 13.0 | 19.2  | 19.3  | 0.3   | -9.4  | -1.7  | 1.6   | ..    | ..   |
| Indonesia                    | 0.9     | ..      | -2.0 | 5.7  | ..   | 14.3  | -0.2  | -8.5  | ..    | 2.9   | ..    | ..    | ..   |
| Thailand                     | 0.6     | 8.6     | 7.3  | 8.2  | 5.3  | 7.1   | 0.2   | 4.6   | -35.7 | -9.1  | -11.4 | -0.7  | ..   |
| Malaysia                     | 0.5     | 5.8     | 5.0  | 1.2  | 0.6  | 7.8   | -8.2  | -4.9  | -27.4 | -2.1  | -6.2  | -2.1  | ..   |
| Europe and Central Asia      | 3.2     | 5.1     | 7.9  | 7.1  | 1.1  | 5.4   | 3.0   | -5.7  | -29.8 | -5.0  | -6.8  | ..    | ..   |
| Russian Federation           | 1.0     | 5.5     | 6.5  | 6.3  | 2.3  | 3.3   | 9.5   | 1.1   | -31.5 | -8.4  | -3.5  | -6.3  | 3.2  |
| Turkey                       | 0.5     | 3.7     | 8.0  | 6.9  | -0.8 | 15.1  | -8.0  | -15.4 | -34.4 | 1.0   | -17.5 | 9.8   | ..   |
| Poland                       | 0.6     | 6.4     | 11.8 | 9.5  | 3.2  | 10.7  | 2.6   | -12.8 | -17.1 | -3.6  | -3.7  | ..    | ..   |
| Czech Republic               | 0.2     | 5.2     | 11.0 | 8.8  | 0.1  | 3.7   | -0.8  | -10.1 | -38.0 | -3.7  | -6.6  | -4.6  | ..   |
| Latin America and Caribbean  | 6.2     | 1.5     | 4.3  | 4.5  | 1.0  | 1.8   | -0.9  | 0.0   | -19.6 | -4.3  | -5.3  | -0.6  | ..   |
| Brazil                       | 1.8     | 3.3     | 2.9  | 5.9  | 2.9  | 1.9   | 3.1   | 10.3  | -33.0 | -7.1  | -12.7 | 2.3   | ..   |
| Mexico                       | 1.7     | ..      | 5.7  | 2.4  | -1.0 | 3.2   | -4.3  | -4.4  | -11.5 | -2.2  | -2.6  | -2.8  | ..   |
| Argentina                    | 0.8     | 2.6     | 7.8  | 5.9  | 1.3  | 3.2   | -1.6  | -8.1  | -16.5 | -3.3  | -1.1  | -1.6  | ..   |
| Colombia                     | 0.3     | ..      | 10.7 | 10.7 | ..   | -10.9 | 0.7   | -14.4 | ..    | -5.3  | ..    | ..    | ..   |
| Middle East and North Africa | 1.9     | 1.7     | -0.5 | -0.4 | 3.6  | 8.2   | 3.2   | 2.2   | -3.2  | -0.3  | -1.1  | ..    | ..   |
| Saudi Arabia                 | 1.2     | 1.0     | -4.2 | -4.7 | 6.2  | 10.1  | 5.9   | 6.4   | -19.5 | -4.8  | -5.4  | ..    | ..   |
| Iran                         | 0.4     | 1.0     | -2.7 | -2.9 | 2.9  | 10.8  | 2.0   | 5.8   | -7.3  | -1.9  | -2.4  | ..    | ..   |
| Egypt                        | 0.4     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Algeria                      | 0.3     | 4.2     | 0.9  | 1.1  | 2.1  | 2.7   | 3.7   | 0.1   | -0.9  | -0.2  | 0.2   | ..    | ..   |
| South Asia                   | 1.6     | 6.8     | 10.6 | 9.2  | 4.0  | 8.5   | 0.9   | -1.5  | -6.4  | 0.8   | -1.4  | -0.4  | ..   |
| India                        | 1.3     | 6.7     | 10.5 | 9.9  | 4.3  | 7.5   | -0.1  | 1.3   | -6.3  | 1.3   | -1.0  | -0.5  | ..   |
| Pakistan                     | 0.2     | 6.7     | 10.6 | 5.6  | -0.6 | 16.0  | 5.4   | -21.7 | -7.4  | -3.1  | -4.6  | 0.1   | ..   |
| Bangladesh                   | 0.1     | ..      | 11.1 | 6.1  | ..   | 9.8   | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Sri Lanka                    | 0.0     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Sub-Saharan Africa           | 1.2     | ..      | 3.7  | 5.5  | ..   | 2.0   | 5.5   | ..    | ..    | ..    | ..    | ..    | ..   |
| South Africa                 | 0.4     | 2.6     | 4.8  | 4.2  | 1.0  | -0.1  | 13.2  | -10.5 | -21.3 | -4.8  | -4.0  | -1.2  | ..   |
| Nigeria                      | 0.3     | ..      | 0.2  | -0.7 | ..   | 2.6   | -7.6  | ..    | ..    | ..    | ..    | ..    | ..   |
| <b>Memo:</b>                 |         |         |      |      |      |       |       |       |       |       |       |       |      |
| OECD                         | 75.9    | 1.5     | 3.3  | 2.7  | -1.8 | 0.3   | -3.4  | -6.2  | -22.7 | -3.4  | -4.2  | -3.7  | ..   |
| Developing excl. China       | 16.6    | 3.5     | 5.1  | 5.5  | 2.0  | 5.1   | 1.3   | -2.6  | -19.3 | -3.1  | -5.0  | ..    | ..   |
| Developing oil exporters     | 2.9     | ..      | -1.4 | 0.7  | ..   | 8.4   | -0.8  | -3.2  | ..    | 0.7   | ..    | ..    | ..   |
| Dev. non-oil exporters       | 19.9    | 7.7     | 10.6 | 11.2 | 6.9  | 10.9  | 9.6   | -1.3  | -16.7 | -2.9  | -2.2  | ..    | ..   |
| Asian high tech exporters    | ..      | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |

<sup>a</sup>In general, series refer to industrial production excluding construction (e.g. manufacturing, mining and utilities). Where this is not available the closest proxy is used, often manufacturing output or oil output, if the country is a major oil producer.

**Table A.2 Demand conditions in high-income countries***(US dollar values unless otherwise indicated; percent change; seasonally adjusted annual rates except monthly figures, which are m/m change)*

|  | Weights |         | Average |      |       | 2008  |       | 2008  |       | 2008  |       | 2009  |      |
|--|---------|---------|---------|------|-------|-------|-------|-------|-------|-------|-------|-------|------|
|  | 1995    | 1999-08 | 2006    | 2007 | 2008  | Q1    | Q2    | Q3    | Q4    | Nov   | Dec   | Jan   | Feb  |
| <b>Real GDP<sup>a</sup></b>                      |         |         |         |      |       |       |       |       |       |       |       |       |      |
| <b>High-income countries</b>                     | 78.6    | 2.3     | 2.9     | 2.6  | 0.7   | 1.1   | 0.0   | -0.5  | -7.1  | ..    | ..    | ..    | ..   |
| Industrial countries                             | 75.4    | 2.3     | 2.8     | 2.4  | 0.7   | 1.4   | 0.2   | -0.8  | -7.0  | ..    | ..    | ..    | ..   |
| United States                                    | 10.9    | 2.5     | 2.8     | 2.0  | 1.1   | 0.9   | 2.8   | -0.5  | -6.2  | ..    | ..    | ..    | ..   |
| Japan  | 21.0    | 1.3     | 2.1     | 2.4  | -0.7  | 1.4   | -4.5  | -1.4  | -12.1 | ..    | ..    | ..    | ..   |
| Euro Area  | 27.2    | 2.0     | 3.0     | 2.6  | 0.7   | 2.8   | -1.0  | -1.0  | -5.7  | ..    | ..    | ..    | ..   |
| United Kingdom                                   | 6.2     | 2.6     | 2.8     | 3.0  | 0.7   | 1.5   | 0.0   | -2.6  | -6.2  | ..    | ..    | ..    | ..   |
| Other high income                                | 3.2     | 4.3     | 5.9     | 6.1  | 1.5   | -9.2  | -5.5  | 9.2   | -12.2 | ..    | ..    | ..    | ..   |
| Hong Kong (China)                                | 0.8     | ..      | 7.0     | 6.4  | 2.5   | -23.0 | -9.5  | 27.9  | 1.2   | ..    | ..    | ..    | ..   |
| Singapore  | 0.4     | 5.6     | 8.4     | 7.8  | 1.2   | 12.2  | -7.7  | -2.1  | -16.4 | ..    | ..    | ..    | ..   |
| Taiwan (China)                                   | 1.4     | 3.8     | 4.8     | 5.7  | 0.1   | -11.9 | -6.1  | 6.3   | -19.8 | ..    | ..    | ..    | ..   |
| <b>Real merchandise imports<sup>b</sup></b>      |         |         |         |      |       |       |       |       |       |       |       |       |      |
| <b>High-income countries</b>                     | 100.0   | ..      | 6.7     | 4.4  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Industrial countries                             | 88.3    | ..      | 6.2     | 3.0  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| United States                                    | 23.8    | 8.2     | 5.7     | 1.3  | -3.9  | -2.1  | -3.9  | -3.6  | -5.9  | -6.9  | -2.2  | -6.7  | ..   |
| Japan  | 6.7     | 5.2     | 4.0     | -0.4 | -0.8  | 1.3   | 2.0   | -0.6  | -6.0  | 0.3   | -4.9  | 1.4   | ..   |
| Euro Area  | 37.1    | ..      | 5.5     | 6.5  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| United Kingdom                                   | 6.7     | 6.3     | 10.2    | -4.2 | -1.9  | 1.3   | 2.1   | -2.6  | -8.1  | -3.5  | -4.0  | -2.0  | ..   |
| Other high income                                | 11.7    | 5.5     | 9.2     | 10.9 | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Hong Kong (China)                                | 4.1     | 6.6     | 10.1    | 10.4 | 2.6   | 8.3   | 5.6   | 3.2   | -6.2  | -12.7 | -10.0 | -3.2  | ..   |
| Singapore  | 2.3     | 5.2     | 11.2    | 6.1  | 9.7   | 15.4  | 12.7  | 11.0  | 0.5   | -0.8  | -9.0  | -5.9  | 1.4  |
| Taiwan (China)                                   | 2.2     | 6.3     | 3.7     | -0.2 | -4.1  | 6.5   | -3.8  | -1.5  | -17.5 | -1.2  | -20.6 | -21.4 | 49.1 |
| <b>Import Prices<sup>c</sup></b>                 |         |         |         |      |       |       |       |       |       |       |       |       |      |
| <b>High-income countries</b>                     | 100.0   | ..      | 5.8     | 6.4  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Industrial countries                             | 88.3    | ..      | 6.2     | 7.1  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| United States                                    | 23.8    | -0.1    | 4.9     | 4.2  | 11.5  | 14.1  | 19.1  | 17.5  | -3.8  | -7.4  | -4.6  | -1.2  | -0.2 |
| Japan  | 6.7     | -1.4    | 6.8     | 7.2  | 21.9  | 19.5  | 26.3  | 33.9  | 8.5   | -6.4  | -6.4  | -1.6  | ..   |
| Euro Area  | 37.1    | ..      | 9.0     | 8.3  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| United Kingdom                                   | 6.7     | -1.3    | 3.1     | 11.0 | 7.5   | 11.8  | 14.8  | 13.2  | -8.6  | -6.1  | -8.7  | -5.0  | ..   |
| Other high income                                | 11.7    | -1.0    | 4.2     | 3.7  | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..   |
| Hong Kong (China)                                | 4.1     | -1.2    | 1.3     | -0.3 | 2.9   | 1.7   | 3.8   | 4.2   | 1.9   | 0.4   | -0.9  | -0.6  | ..   |
| Singapore  | 2.3     | -0.3    | 6.6     | 3.6  | 11.5  | 13.9  | 19.4  | 21.4  | -7.5  | -11.9 | -6.8  | 1.9   | -1.3 |
| Taiwan (China)                                   | 2.2     | -1.6    | 7.1     | 8.1  | 13.9  | 16.8  | 23.2  | 22.2  | -5.4  | -7.9  | -5.7  | -0.3  | -1.3 |
| <b>Real effective exchange rates<sup>d</sup></b> |         |         |         |      |       |       |       |       |       |       |       |       |      |
| Euro Area  | 33.5    | 1.6     | 0.9     | 4.1  | 4.2   | 7.5   | 8.6   | 5.4   | -4.4  | -2.0  | 3.9   | 1.7   | -1.8 |
| United States                                    | 14.4    | -2.2    | -2.7    | -4.6 | -3.7  | -9.8  | -9.5  | -5.9  | 11.2  | 3.6   | -0.2  | 1.0   | 2.6  |
| Japan  | 7.4     | -1.4    | -8.9    | -6.6 | 9.9   | 4.2   | 5.9   | 3.4   | 25.8  | 6.6   | 5.4   | 0.1   | -2.2 |
| United Kingdom                                   | 5.4     | -1.7    | -0.2    | 2.1  | -11.9 | -8.8  | -10.1 | -11.9 | -17.1 | -6.0  | -5.4  | -2.7  | 3.6  |
| Canada   | 3.5     | 0.0     | 3.2     | 0.8  | -8.3  | 5.8   | -3.3  | -10.5 | -23.3 | 0.6   | -3.1  | -1.1  | -0.9 |
| Hong Kong (China)                                | 3.5     | -4.3    | -2.6    | -5.0 | -8.2  | -9.6  | -11.3 | -10.6 | -1.3  | 5.3   | 0.2   | -0.6  | -0.3 |
| Korea, Rep.                                      | 2.5     | 0.7     | 4.8     | -2.0 | -15.8 | -8.6  | -13.1 | -12.8 | -29.1 | -5.5  | -0.5  | -0.1  | -3.8 |
| Singapore  | 2.3     | 1.4     | 5.1     | 6.9  | 4.7   | 2.6   | 4.0   | 7.3   | 4.7   | -1.9  | -3.1  | 3.2   | 0.0  |
| Taiwan (China)                                   | 2.1     | -1.9    | 0.1     | -1.3 | -4.2  | -3.5  | -2.3  | -2.0  | -8.8  | -3.9  | -3.7  | -1.6  | 0.6  |
| Switzerland                                      | 1.7     | -1.0    | -4.3    | -4.9 | 2.2   | 1.1   | 2.0   | 0.0   | 5.9   | 0.8   | 2.3   | 0.4   | -0.5 |

a/ Real GDP aggregated using 1995 weights.

b/ On a customs or BoP basis, as available. Weights are 1995 merchandise import: aggregate calculated as sum of components.

c/ Aggregate prices are implicit prices of aggregate US dollar value divided by aggregate constant 1995 dollar volume.

d/ JP Morgan Trade Weighted Indices (Real, Broad basis). Data are averages of monthly data for the period in question.

## External Environment for Developing Countries

page 14

**Table A.3 Global credit conditions***(percent unless otherwise indicated a/)*

|   | Weights<br>1995 | Average<br>1999-08 | 2006 | 2007 | 2008 | 2008<br>Q1 | 2008<br>Q2 | 2008<br>Q3 | 2008<br>Q4 | 2008<br>Dec | 2009<br>Jan | 2009<br>Feb | Latest<br>24-Mar |
|---|-----------------|--------------------|------|------|------|------------|------------|------------|------------|-------------|-------------|-------------|------------------|
| <b>Policy Rates</b>                         |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| United States                               | ..              | 3.44               | 4.96 | 5.02 | 1.93 | 3.16       | 2.09       | 1.96       | 0.52       | 0.17        | 0.16        | 0.22        | 0.18             |
| Japan                                       | ..              | 0.33               | 0.24 | 0.70 | 0.70 | 0.75       | 0.75       | 0.75       | 0.55       | 0.42        | 0.30        | 0.30        | 0.30             |
| Euro Area                                   | ..              | ..                 | 2.76 | 3.84 | 3.89 | 4.00       | 4.00       | 4.23       | 3.34       | 2.73        | 2.32        | 2.00        | 1.50             |
| United Kingdom                              | ..              | 4.80               | 4.64 | 5.51 | 4.67 | 5.35       | 5.03       | 5.00       | 3.32       | 2.13        | 1.61        | 1.08        | 0.50             |
| <b>Ten year bond</b>                        |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| United States                               | ..              | 4.70               | 4.78 | 4.63 | 3.66 | 3.69       | 3.85       | 3.84       | 3.25       | 2.47        | 2.40        | 2.80        | 2.53             |
| Japan                                       | ..              | 1.49               | 1.74 | 1.67 | 1.49 | 1.39       | 1.60       | 1.53       | 1.44       | 1.35        | 1.25        | 1.30        | 1.31             |
| Euro Area                                   | ..              | ..                 | 3.73 | 4.20 | 4.00 | 3.97       | 4.24       | 4.29       | 3.51       | 3.03        | 3.04        | 3.19        | 3.22             |
| United Kingdom                              | ..              | 4.77               | 4.48 | 5.01 | 4.52 | 4.50       | 4.80       | 4.70       | 4.07       | 3.59        | 3.52        | 3.64        | 3.11             |
| <b>Spreads (Basis points)<sup>b,c</sup></b> |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| <b>Developing countries</b>                 |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| East Asia and Pacific                       | ..              | 399                | 198  | 197  | 406  | 295        | 281        | 337        | 710        | 758         | 694         | 680         | 685              |
| China                                       | ..              | 82                 | 64   | 71   | 166  | 140        | 139        | 157        | 229        | 230         | 199         | 175         | 174              |
| Indonesia                                   | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Thailand                                    | ..              | ..                 | 54   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Malaysia                                    | ..              | 129                | 84   | 87   | 201  | 131        | 135        | 161        | 377        | 396         | 353         | 352         | 352              |
| Europe and Central Asia                     | ..              | 286                | 149  | 158  | 370  | 237        | 237        | 296        | 709        | 786         | 689         | 689         | 719              |
| Russian Federation                          | ..              | 262                | 111  | 121  | 328  | 191        | 169        | 238        | 715        | 854         | 726         | 685         | 691              |
| Turkey                                      | ..              | 404                | 223  | 214  | 383  | 292        | 312        | 336        | 593        | 592         | 510         | 540         | 579              |
| Poland                                      | ..              | 99                 | 59   | 61   | 159  | 108        | 104        | 131        | 293        | 310         | 312         | 302         | 319              |
| Czech Republic                              | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Latin America and Caribbean                 | ..              | 522                | 227  | 221  | 438  | 323        | 304        | 367        | 759        | 805         | 744         | 733         | 731              |
| Brazil                                      | ..              | 551                | 233  | 180  | 301  | 258        | 214        | 252        | 480        | 478         | 430         | 429         | 438              |
| Mexico                                      | ..              | 206                | 137  | 126  | 254  | 190        | 162        | 213        | 452        | 461         | 423         | 435         | 455              |
| Argentina                                   | ..              | 2920               | 343  | 320  | 858  | 483        | 557        | 696        | 1698       | 1828        | 1578        | 1645        | 1841             |
| Colombia                                    | ..              | 370                | 194  | 161  | 305  | 251        | 192        | 237        | 540        | 536         | 503         | 479         | 487              |
| Middle East and North Africa                | ..              | ..                 | 338  | 476  | 585  | 546        | 505        | 486        | 804        | 926         | 871         | 790         | 771              |
| Saudi Arabia                                | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Iran  | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Egypt                                       | ..              | ..                 | 79   | 86   | 262  | 230        | 180        | 244        | 393        | 404         | 296         | 235         | 225              |
| Algeria                                     | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| South Asia <sup>d</sup>                     | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| India                                       | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Pakistan                                    | ..              | ..                 | 199  | 283  | 1040 | 568        | 596        | 965        | 2031       | 2135        | 2062        | 1957        | 1855             |
| Bangladesh                                  | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Sri Lanka                                   | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| Sub-Saharan Africa                          | ..              | 390                | 266  | 288  | 452  | 402        | 338        | 318        | 749        | 819         | 695         | 661         | 672              |
| South Africa                                | ..              | 172                | 90   | 100  | 329  | 233        | 215        | 254        | 616        | 618         | 482         | 458         | 450              |
| Nigeria                                     | ..              | ..                 | 245  | 77   | ..   | ..         | ..         | ..         | ..         | ..          | ..          | ..          | ..               |
| <b>Gross inflows<sup>e</sup></b>            |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| <b>Developing countries</b>                 |                 |                    |      |      |      |            |            |            |            |             |             |             |                  |
| East Asia and Pacific                       | ..              | ..                 | 111  | 145  | 67   | 23         | 26         | 12         | 7          | 3           | 3           | 3           | ..               |
| Europe and Central Asia                     | ..              | ..                 | 179  | 252  | 155  | 36         | 63         | 34         | 22         | 5           | 6           | 1           | ..               |
| Latin America and Caribbean                 | ..              | ..                 | 116  | 157  | 80   | 19         | 38         | 14         | 10         | 5           | 9           | 10          | ..               |
| Middle East and North Africa                | ..              | ..                 | 16   | 15   | 25   | 5          | 13         | 6          | 2          | 1           | 0           | 0           | ..               |
| South Asia                                  | ..              | ..                 | 42   | 69   | 25   | 16         | 4          | 4          | 1          | 1           | 0           | 0           | ..               |
| Sub-Saharan Africa                          | ..              | ..                 | 30   | 46   | 17   | 6          | 4          | 4          | 4          | 2           | 0           | 0           | ..               |

a/Monthly figures are simple averages of the daily figures, except the last month, which are the values reported on the mentioned date. Quarterly and Annual figures are simple averages of the monthly figures.

b/Average values for Spreads are for the period 1996-2003.

c/Aggregates as defined by JP Morgan.

d/East Asia and Pacific including South Asian countries.

e/In billions of US dollars.



**Table A.4 Commodity price indices***(current US dollar index, index unless otherwise indicated; a/)*

|                            | Weights <sup>b</sup> |         | Average |       |       | 2008  |       |       | 2008  |       |       | 2009  |       |
|----------------------------|----------------------|---------|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
|                            | 1990                 | 1999-08 | 2006    | 2007  | 2008  | Q1    | Q2    | Q3    | Q4    | Nov   | Dec   | Jan   | Feb   |
| <b>Energy</b>              | ..                   | ..      | 220.9   | 244.8 | 342.0 | 331.1 | 417.8 | 406.0 | 212.9 | 207.2 | 165.3 | 170.3 | 161.5 |
| Coal, Australia            | ..                   | 15.8    | 187.0   | 250.4 | 484.2 | 434.3 | 528.2 | 620.2 | 354.2 | 351.4 | 299.6 | 302.5 | 287.2 |
| Crude oil, average         | ..                   | 22.2    | 227.7   | 251.9 | 343.6 | 337.6 | 428.5 | 409.8 | 198.4 | 191.2 | 146.4 | 155.4 | 148.2 |
| Natural gas, Europe        | ..                   | 18.7    | 219.5   | 221.7 | 347.5 | 281.5 | 321.4 | 378.9 | 408.1 | 409.8 | 401.7 | 360.0 | 339.3 |
| <b>Non-energy</b>          | 100.00               | ..      | 192.0   | 224.7 | 272.0 | 281.2 | 307.8 | 292.6 | 206.3 | 202.9 | 189.3 | 199.2 | 196.5 |
| <b>Agriculture</b>         | 69.10                | ..      | 150.2   | 180.3 | 229.5 | 236.4 | 259.4 | 243.5 | 178.6 | 177.0 | 169.5 | 183.3 | 181.7 |
| <b>Beverages</b>           | 16.90                | ..      | 145.4   | 169.9 | 210.0 | 210.7 | 221.4 | 226.8 | 181.2 | 173.7 | 184.0 | 199.7 | 200.9 |
| Cocoa                      | 3.90                 | 4.4     | 175.7   | 215.5 | 284.5 | 273.5 | 305.2 | 312.0 | 247.4 | 226.8 | 264.3 | 289.7 | 294.4 |
| Coffee, arabica            | 8.00                 | 0.3     | 131.4   | 141.9 | 160.5 | 171.1 | 164.2 | 167.3 | 139.5 | 140.0 | 136.6 | 147.3 | 148.7 |
| Coffee, robusta            | 2.80                 | 2.4     | 163.1   | 209.1 | 254.2 | 270.9 | 266.8 | 268.2 | 210.9 | 219.2 | 199.2 | 199.8 | 193.7 |
| <b>Food</b>                | 29.40                | ..      | 147.0   | 184.7 | 247.4 | 257.2 | 286.3 | 260.5 | 185.7 | 183.8 | 176.0 | 191.7 | 189.6 |
| <b>Fats and oils</b>       | 10.10                | ..      | 137.9   | 209.0 | 277.3 | 310.2 | 327.7 | 288.9 | 182.4 | 179.9 | 171.6 | 194.6 | 192.8 |
| Palm oil                   | 2.30                 | 3.5     | 154.2   | 251.5 | 305.7 | 372.6 | 386.2 | 299.1 | 165.0 | 157.3 | 162.1 | 181.1 | 184.0 |
| Soybean meal               | 4.10                 | 9.6     | 110.6   | 163.0 | 224.4 | 234.4 | 255.7 | 238.1 | 169.3 | 170.7 | 158.6 | 194.8 | 202.5 |
| Soybeans                   | 2.00                 | 8.0     | 126.8   | 181.3 | 246.8 | 265.6 | 276.2 | 267.3 | 178.1 | 178.4 | 169.9 | 195.0 | 184.6 |
| <b>Grains</b>              | 6.90                 | ..      | 149.8   | 189.0 | 281.7 | 274.6 | 335.2 | 298.5 | 218.6 | 214.4 | 206.6 | 225.0 | 218.6 |
| Maize                      | 1.70                 | 8.1     | 137.6   | 184.9 | 252.0 | 248.9 | 292.5 | 276.4 | 190.2 | 185.0 | 178.8 | 195.2 | 184.5 |
| Rice, Thailand, 5%         | 2.90                 | 7.9     | 150.6   | 161.3 | 321.2 | 236.2 | 422.6 | 347.3 | 278.8 | 272.7 | 262.8 | 286.6 | 291.9 |
| Wheat, US, HRW             | 1.90                 | 10.0    | 168.3   | 223.7 | 285.8 | 360.9 | 303.7 | 278.5 | 200.0 | 198.8 | 193.0 | 209.6 | 196.9 |
| <b>Other food</b>          | 12.40                | ..      | 156.4   | 149.0 | 177.1 | 171.9 | 187.4 | 188.9 | 160.2 | 161.3 | 154.1 | 157.6 | 159.3 |
| Bananas, US                | 2.30                 | 5.6     | 159.7   | 159.4 | 199.1 | 197.2 | 216.9 | 182.7 | 199.7 | 212.9 | 195.8 | 193.4 | 207.1 |
| Sugar, world               | 7.50                 | 0.6     | 126.1   | 98.0  | 115.7 | 118.0 | 115.5 | 126.7 | 102.5 | 102.8 | 101.7 | 106.8 | 110.1 |
| <b>Raw materials</b>       | 22.80                | ..      | 160.4   | 174.9 | 195.7 | 198.9 | 213.7 | 210.4 | 160.0 | 162.2 | 146.3 | 154.6 | 152.8 |
| Cotton ("A" Index)         | 5.90                 | 0.9     | 97.3    | 107.1 | 120.9 | 129.0 | 127.9 | 129.2 | 97.5  | 93.0  | 93.9  | 97.7  | 93.5  |
| Rubber, Singapore          | 4.80                 | 13.6    | 311.6   | 339.2 | 387.6 | 410.0 | 454.9 | 447.3 | 238.3 | 247.5 | 180.3 | 222.9 | 219.3 |
| Sawnwood, Malaysia         | 2.90                 | 6.3     | 126.0   | 135.6 | 149.5 | 144.7 | 157.4 | 151.4 | 144.6 | 146.7 | 142.2 | 137.6 | 137.5 |
| <b>Fertilizers</b>         | 2.70                 | ..      | 168.6   | 240.1 | 566.7 | 409.4 | 624.1 | 741.1 | 492.2 | 456.4 | 417.7 | 405.0 | 366.1 |
| Triple superphosphate      | 0.90                 | 17.7    | 146.4   | 246.2 | 638.6 | 519.0 | 752.6 | 804.4 | 478.3 | 440.1 | 294.1 | 254.2 | 232.4 |
| <b>Metals and minerals</b> | 28.20                | ..      | 280.3   | 314.0 | 325.7 | 358.7 | 371.1 | 342.4 | 230.6 | 227.3 | 204.0 | 208.4 | 207.6 |
| Aluminum                   | 7.90                 | 6.6     | 165.9   | 170.3 | 166.1 | 177.0 | 189.8 | 179.9 | 117.6 | 119.6 | 96.2  | 91.2  | 85.9  |
| Copper                     | 9.30                 | 15.4    | 370.7   | 392.5 | 383.6 | 429.9 | 465.6 | 423.5 | 215.3 | 205.0 | 169.4 | 177.6 | 182.8 |
| Gold                       | ..                   | 11.5    | 216.6   | 249.7 | 312.4 | 332.1 | 321.1 | 311.6 | 284.7 | 272.7 | 292.5 | 307.7 | 338.0 |
| Nickel                     | 2.20                 | 16.4    | 280.8   | 431.0 | 244.4 | 335.2 | 297.3 | 219.5 | 125.5 | 123.9 | 112.1 | 130.9 | 120.5 |
| <b>Crude Oil (US\$)</b>    | ..                   | 22.2    | 64.3    | 71.1  | 97.0  | 95.3  | 121.0 | 115.7 | 56.0  | 54.0  | 41.3  | 43.9  | 41.8  |

Memo:

a/ The World Bank primary commodity price indices are computed from 1987-89 export values in US dollars for low- and middle-income economies, rebased to 1990.

b/ Energy and gold prices are not included in the index.

**Table A.5 Developing countries' merchandise export growth***(US dollar values unless otherwise indicated; percent change; seasonally adjusted annual rates except monthly figures, which are m/m change /a)*

|                                    | Weights | Average |      |      |      | 2008  |       |       |       | 2008  |       | 2009  |       |
|------------------------------------|---------|---------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|
|                                    | 2000    | 1999-08 | 2006 | 2007 | 2008 | Q1    | Q2    | Q3    | Q4    | Nov   | Dec   | Jan   | Feb   |
| <b>Export values</b>               |         |         |      |      |      |       |       |       |       |       |       |       |       |
| <b>Developing countries</b>        | 100.0   | 16.8    | 22.7 | 19.5 | 20.8 | 45.4  | 20.6  | 14.9  | -55.7 | -15.4 | -8.3  | -0.2  | ..    |
| East Asia and Pacific              | 36.3    | 18.5    | 23.9 | 22.2 | 16.6 | 34.0  | 23.3  | 18.3  | -46.2 | -17.1 | -6.0  | 4.6   | ..    |
| China                              | 16.7    | 22.8    | 27.2 | 25.7 | 17.3 | 41.7  | 18.0  | 23.5  | -41.2 | -19.3 | -5.8  | 8.4   | -22.2 |
| Indonesia                          | 4.2     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Thailand                           | 4.6     | 12.6    | 16.9 | 17.2 | 16.9 | 23.7  | 29.4  | 1.0   | -56.7 | -21.0 | 7.5   | -4.2  | ..    |
| Europe and Central Asia            | 20.7    | 18.9    | 21.5 | 23.3 | 26.3 | 60.2  | 21.9  | 8.7   | -69.0 | -16.4 | -12.4 | -3.2  | ..    |
| Russian Federation                 | 7.1     | 20.3    | 24.5 | 16.8 | 33.1 | 60.0  | 20.2  | 20.5  | -71.8 | -20.5 | -10.3 | -14.4 | ..    |
| Turkey                             | 1.8     | 17.2    | 16.4 | 25.4 | 23.0 | 128.7 | -10.3 | 21.4  | -76.9 | -6.7  | -22.3 | 41.5  | ..    |
| Poland                             | 2.1     | 19.7    | 22.5 | 25.9 | 23.6 | 55.2  | 35.5  | -10.4 | -76.4 | -14.3 | -12.6 | 1.9   | ..    |
| Latin America and Caribbean        | 24.0    | 10.9    | 19.7 | 13.3 | 12.2 | 13.3  | 18.8  | 7.8   | -54.4 | -10.1 | -9.0  | -8.3  | ..    |
| Brazil                             | 3.7     | 14.5    | 16.3 | 16.6 | 23.2 | 4.8   | 108.6 | 13.3  | -47.8 | -10.6 | -6.9  | -20.0 | 6.3   |
| Mexico                             | 11.2    | 9.5     | 16.7 | 8.8  | 7.3  | 18.2  | 4.4   | -2.8  | -53.9 | -6.7  | -11.8 | -2.6  | ..    |
| Argentina                          | 1.8     | 10.3    | 15.0 | 20.1 | 26.5 | 41.6  | -22.8 | 136.0 | -70.0 | -12.7 | -18.8 | 3.9   | ..    |
| Middle East and North Africa       | 8.3     | ..      | 30.4 | 6.4  | ..   | 128.1 | 43.1  | 23.5  | ..    | ..    | ..    | ..    | ..    |
| Saudi Arabia                       | 5.2     | ..      | 23.6 | 0.9  | ..   | 105.6 | 15.5  | 24.4  | ..    | ..    | ..    | ..    | ..    |
| Iran                               | 1.9     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Egypt                              | 0.3     | ..      | 32.5 | 18.2 | ..   | 123.6 | 192.7 | -24.5 | ..    | -21.5 | ..    | ..    | ..    |
| South Asia                         | 4.3     | 15.5    | 26.4 | 19.6 | 19.2 | 49.8  | 4.7   | 10.8  | -45.5 | -4.5  | 0.1   | -1.4  | ..    |
| India                              | 2.8     | 18.2    | 31.8 | 23.8 | 20.2 | 48.5  | -2.1  | 15.2  | -47.0 | -4.5  | 1.2   | -1.6  | ..    |
| Pakistan                           | 0.6     | 9.4     | 5.2  | 2.4  | 21.4 | 77.4  | 34.7  | -11.4 | -39.0 | -8.1  | -8.4  | 0.9   | -4.2  |
| Bangladesh                         | 0.4     | ..      | 24.2 | 7.7  | ..   | 44.5  | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Sub-Saharan Africa                 | 6.3     | ..      | 20.6 | 16.3 | ..   | 110.3 | -2.7  | 38.2  | ..    | ..    | ..    | ..    | ..    |
| South Africa                       | 2.0     | 12.0    | 12.2 | 19.3 | 19.3 | 38.7  | 19.0  | 29.2  | -61.6 | -28.6 | -14.9 | -5.7  | ..    |
| Nigeria                            | 1.4     | ..      | 24.4 | 10.2 | ..   | 45.1  | 32.5  | 45.1  | ..    | ..    | ..    | ..    | ..    |
| <b>Export prices<sup>b,c</sup></b> |         |         |      |      |      |       |       |       |       |       |       |       |       |
| <b>Developing countries</b>        | 100.0   | ..      | 6.7  | 4.5  | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| East Asia and Pacific              | 36.3    | ..      | 3.1  | 2.4  | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| China                              | 16.7    | 0.0     | 2.8  | 1.7  | 2.3  | -2.1  | 7.3   | 4.2   | -2.7  | 1.4   | 0.3   | 0.2   | ..    |
| Indonesia                          | 4.2     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Thailand                           | 4.6     | 5.7     | 3.7  | 6.4  | 11.4 | 7.6   | 44.9  | 5.8   | -23.7 | -0.9  | -3.8  | 0.8   | ..    |
| Europe and Central Asia            | 20.7    | ..      | 9.2  | 9.4  | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Russian Federation                 | 7.1     | ..      | 16.2 | 20.2 | ..   | 39.9  | 45.9  | 50.0  | ..    | -8.8  | ..    | ..    | ..    |
| Turkey                             | 1.8     | 3.6     | 3.5  | 12.5 | 15.4 | 23.3  | 30.6  | 13.8  | -55.2 | -7.9  | -0.3  | -4.0  | ..    |
| Poland                             | 2.1     | ..      | 6.4  | 0.4  | ..   | 3.1   | -6.1  | -14.5 | ..    | ..    | ..    | ..    | ..    |
| Latin America and Caribbean        | 24.0    | 6.6     | 12.0 | 7.5  | 15.0 | 21.7  | 35.6  | 18.8  | -52.3 | -9.0  | -5.1  | ..    | ..    |
| Brazil                             | 3.7     | 5.4     | 12.5 | 10.5 | 26.3 | 26.2  | 47.1  | 56.8  | -35.2 | -8.3  | -8.1  | -5.3  | -3.5  |
| Mexico                             | 11.2    | 5.8     | 7.5  | 5.1  | 9.8  | 13.5  | 36.8  | 4.4   | -64.5 | -9.7  | -4.2  | -0.4  | ..    |
| Argentina                          | 1.8     | 5.3     | 8.6  | 11.4 | 25.0 | 55.9  | 20.8  | 7.5   | -35.7 | -7.0  | -4.5  | ..    | ..    |
| Middle East and North Africa       | 8.3     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Saudi Arabia                       | 5.2     | ..      | 25.8 | 3.7  | ..   | 96.7  | 47.4  | -27.8 | ..    | ..    | ..    | ..    | ..    |
| Iran                               | 1.9     | ..      | -7.7 | -6.1 | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| Egypt                              | 0.3     | ..      | -1.6 | 7.5  | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| South Asia                         | 4.3     | 2.4     | 2.9  | 10.7 | 9.1  | 12.0  | 9.9   | 0.2   | -0.8  | -0.1  | 0.1   | ..    | ..    |
| India                              | 2.8     | 4.1     | 3.7  | 9.4  | 9.3  | 11.4  | 7.9   | 3.0   | -3.1  | -0.5  | -0.7  | -0.9  | -1.2  |
| Pakistan                           | 0.6     | 0.5     | 2.6  | 3.3  | 12.4 | 23.1  | 26.8  | -26.8 | 13.2  | 2.1   | 1.9   | ..    | ..    |
| Bangladesh                         | 0.4     | -6.8    | -6.3 | 13.1 | -4.7 | -7.0  | -17.7 | -13.0 | 2.4   | 0.2   | 0.2   | ..    | ..    |
| Sub-Saharan Africa                 | 6.3     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |
| South Africa                       | 2.0     | ..      | 8.4  | 7.5  | ..   | 40.3  | -4.6  | 8.8   | ..    | ..    | ..    | ..    | ..    |
| Nigeria                            | 1.4     | ..      | ..   | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    |

/a Merchandise export (F.O.B), customs basis.

/b Implicit export unit values, U.S. Dollar basis.

/c In many cases countries are very late in reporting trade prices. To estimate more timely figures individual trade prices were updated using the median (mean) regional trade price for developing (developed) countries whenever 60% or more of reporters by trade weight reported.

**Table A.6 Developing countries' merchandise import growth***(US dollar values unless otherwise indicated; percent change; seasonally adjusted annual rates except monthly figures, which are m/m change /a)*

|                                    | Weights | Average |       |       |      |       |        | 2008  |       |       |       | 2009  |       |
|------------------------------------|---------|---------|-------|-------|------|-------|--------|-------|-------|-------|-------|-------|-------|
|                                    | 2000    | 1999-08 | 2006  | 2007  | 2008 | Q1    | Q2     | Q3    | Q4    | Nov   | Dec   | Jan   | Feb   |
| <b>Import values</b>               |         |         |       |       |      |       |        |       |       |       |       |       |       |
| <b>Developing countries</b>        | 100.0   | ..      | ..    | ..    | ..   | 48.0  | 21.2   | 19.6  | -57.2 | -16.7 | -7.7  | -13.8 | ..    |
| East Asia and Pacific              | 35.2    | 18.7    | 16.8  | 18.6  | 21.2 | 61.0  | 3.0    | 14.3  | -57.7 | -22.2 | -7.6  | -17.0 | ..    |
| China                              | 19.3    | 23.2    | 19.9  | 20.8  | 18.6 | 52.4  | 0.1    | 15.4  | -59.1 | -28.1 | -5.7  | -16.8 | 37.3  |
| Indonesia                          | 2.1     | 16.8    | 5.8   | 22.0  | 73.4 | 292.0 | 50.8   | 3.2   | -48.7 | -12.0 | -13.8 | -22.1 | ..    |
| Thailand                           | 4.2     | 15.5    | 9.0   | 8.7   | 27.6 | 70.9  | -9.5   | 64.0  | -51.1 | -13.2 | -6.8  | -18.9 | ..    |
| Europe and Central Asia            | 24.1    | ..      | ..    | ..    | ..   | 44.2  | 32.8   | 12.4  | -66.2 | -16.9 | -10.8 | -12.1 | ..    |
| Russian Federation                 | 3.9     | 17.5    | 31.0  | 36.0  | 30.6 | 5.1   | 93.4   | 42.5  | -58.0 | -23.8 | -2.6  | -35.7 | ..    |
| Turkey                             | 3.2     | 16.0    | 19.5  | 21.8  | 18.8 | 69.4  | 1.3    | 11.7  | -80.2 | -19.4 | -14.2 | 6.6   | ..    |
| Poland                             | 3.6     | 16.1    | 23.7  | 29.9  | 26.9 | 68.7  | 28.5   | -2.9  | -73.9 | -11.8 | -19.1 | -1.3  | ..    |
| Latin America and Caribbean        | 22.9    | 10.0    | 19.2  | 19.0  | 21.2 | 39.0  | 24.6   | 18.6  | -44.6 | -11.5 | -6.0  | -11.2 | ..    |
| Brazil                             | 3.2     | 11.6    | 24.1  | 32.0  | 43.6 | 55.8  | 74.7   | 39.3  | -46.3 | -17.9 | -0.9  | -15.8 | -10.0 |
| Mexico                             | 11.6    | 9.4     | 15.4  | 10.1  | 9.5  | 39.2  | -1.3   | 11.6  | -49.7 | -5.5  | -12.7 | -5.6  | ..    |
| Argentina                          | 0.6     | 6.2     | 19.0  | 30.9  | 28.4 | 43.0  | 46.7   | 3.2   | -53.5 | -15.0 | -4.0  | -22.2 | ..    |
| Middle East and North Africa       | 6.9     | ..      | 8.2   | 23.3  | ..   | 25.0  | 69.2   | 36.4  | ..    | ..    | ..    | ..    | ..    |
| Saudi Arabia                       | 2.0     | ..      | 18.9  | 36.0  | ..   | 6.5   | 25.9   | 22.8  | ..    | ..    | ..    | ..    | ..    |
| Iran                               | 1.4     | ..      | 5.6   | 20.9  | ..   | 26.1  | 34.0   | 10.8  | ..    | ..    | ..    | ..    | ..    |
| Egypt                              | 0.8     | ..      | 4.0   | 31.4  | ..   | 5.8   | 527.3  | 52.6  | ..    | -5.3  | ..    | ..    | ..    |
| South Asia                         | 5.5     | 19.0    | 20.7  | 23.9  | 31.7 | 57.0  | 41.6   | 57.1  | -60.5 | -2.8  | -4.8  | -10.7 | ..    |
| India                              | 3.7     | 21.3    | 21.9  | 28.2  | 32.6 | 40.2  | 47.8   | 72.6  | -61.3 | -0.6  | -4.3  | -11.0 | ..    |
| Pakistan                           | 0.7     | 16.7    | 17.5  | 9.2   | 34.3 | 171.3 | 10.9   | -4.2  | -66.5 | -16.1 | -8.8  | -7.8  | -10.2 |
| Bangladesh                         | 0.5     | ..      | 15.5  | 15.4  | ..   | 87.6  | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Sub-Saharan Africa                 | 5.5     | ..      | 21.9  | 21.8  | ..   | 28.8  | 16.4   | 35.5  | ..    | ..    | ..    | ..    | ..    |
| South Africa                       | 1.9     | 13.3    | 23.6  | 16.3  | 15.6 | 40.1  | 1.3    | 37.7  | -53.3 | -14.5 | -2.2  | -13.4 | ..    |
| Nigeria                            | 0.5     | ..      | 21.7  | 31.0  | ..   | 62.2  | 12.8   | 65.5  | ..    | ..    | ..    | ..    | ..    |
| <b>Import prices<sup>b,c</sup></b> |         |         |       |       |      |       |        |       |       |       |       |       |       |
| <b>Developing countries</b>        | 100.0   | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| East Asia and Pacific              | 35.2    | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| China                              | 19.3    | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Indonesia                          | 2.1     | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Thailand                           | 4.2     | 4.0     | 4.9   | 6.0   | 13.6 | 10.3  | 44.4   | 2.2   | -29.9 | -1.1  | -4.8  | 0.1   | ..    |
| Europe and Central Asia            | 24.1    | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Russian Federation                 | 3.9     | 3.3     | 12.0  | 11.7  | 13.7 | 16.2  | 13.9   | 9.8   | 4.3   | 0.2   | 0.0   | -0.2  | -0.4  |
| Turkey                             | 3.2     | 5.1     | 10.1  | 7.9   | 20.0 | 26.8  | 43.3   | 14.5  | -49.0 | -8.7  | -4.5  | -5.9  | ..    |
| Poland                             | 3.6     | -0.2    | 6.9   | -1.8  | 0.0  | -3.3  | 2.0    | -7.1  | 37.9  | 9.4   | 3.2   | ..    | ..    |
| Latin America and Caribbean        | 22.9    | 4.0     | 5.4   | 6.6   | 13.4 | 17.7  | 29.4   | 19.3  | -24.2 | -4.0  | -4.2  | ..    | ..    |
| Brazil                             | 3.2     | 5.6     | 6.9   | 8.2   | 22.0 | 30.6  | 43.1   | 27.5  | -30.5 | -3.5  | -6.3  | 1.8   | -5.5  |
| Mexico                             | 11.6    | 3.3     | 4.5   | 5.4   | 8.5  | 12.2  | 16.1   | 12.4  | -17.0 | -2.2  | -2.0  | 0.1   | ..    |
| Argentina                          | 0.6     | 1.9     | 2.3   | 7.3   | 11.2 | 12.4  | 43.9   | 11.4  | -31.7 | -5.4  | -3.7  | ..    | ..    |
| Middle East and North Africa       | 6.9     | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Saudi Arabia                       | 2.0     | ..      | 2.7   | 7.7   | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Iran                               | 1.4     | ..      | 3.2   | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Egypt                              | 0.8     | ..      | -3.4  | 13.1  | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| South Asia                         | 5.5     | ..      | ..    | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| India                              | 3.7     | ..      | -10.4 | 6.7   | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| Pakistan                           | 0.7     | ..      | -10.5 | -40.0 | ..   | -93.7 | -100.0 | ..    | ..    | ..    | ..    | ..    | ..    |
| Bangladesh                         | 0.5     | -6.2    | -4.7  | 12.6  | -5.3 | -7.6  | -18.1  | -13.4 | 1.8   | 0.2   | 0.1   | ..    | ..    |
| Sub-Saharan Africa                 | 5.5     | ..      | 3.7   | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |
| South Africa                       | 1.9     | ..      | 3.7   | 4.3   | ..   | 17.9  | 11.4   | 14.0  | ..    | ..    | ..    | ..    | ..    |
| Nigeria                            | 0.5     | ..      | 2.5   | ..    | ..   | ..    | ..     | ..    | ..    | ..    | ..    | ..    | ..    |

/a Merchandise import (C.I.F.), customs basis.

/b Implicit import unit values, U.S. Dollar basis.

/c In many cases countries are very late in reporting trade prices. To estimate more timely figures individual trade prices were updated using the median (mean) regional trade price for developing (developed) countries whenever 60% or more of reporters by trade weight reported.

**Table A.7 Merchandise trade balances***(Billion US dollars; annual rates)*

|   | CAB      |       |      |      |      |      |      | 2008 |      |      |      | 2009 |     |
|---|----------|-------|------|------|------|------|------|------|------|------|------|------|-----|
|   | US\$ bn. | % GDP | 2006 | 2007 | 2008 | Q1   | Q2   | Q3   | Q4   | Nov  | Dec  | Jan  | Feb |
|   | 2008     | 2008  |      |      |      |      |      |      |      |      |      |      |     |
| <b>World</b>                              | 0.0      | 0.0   | -304 | -315 | -462 | -391 | -399 | -608 | -451 | -483 | -323 | 15   | ..  |
| <b>High-income countries <sup>a</sup></b> | -374.5   | -0.9  | -447 | -413 | -468 | -418 | -420 | -576 | -460 | -518 | -340 | -461 | ..  |
| Industrial countries                      | -449.8   | -1.1  | -636 | -561 | -662 | -640 | -627 | -753 | -630 | -673 | -511 | -647 | ..  |
| United States                             | -661.9   | -4.7  | -817 | -794 | -800 | -825 | -851 | -843 | -679 | -620 | -601 | -553 | ..  |
| Japan                                     | 183.0    | 3.7   | 66   | 92   | 22   | 95   | 54   | -24  | -38  | -49  | -27  | -49  | ..  |
| Euro Area                                 | -9.3     | -0.1  | -14  | 42   | -38  | -20  | -27  | -63  | -41  | -86  | -12  | -87  | ..  |
| United Kingdom                            | -73.2    | -2.7  | -139 | -179 | -177 | -185 | -185 | -186 | -152 | -159 | -133 | -134 | ..  |
| Other high income                         | 75.3     | 4.0   | 190  | 148  | 198  | 221  | 207  | 178  | 185  | 175  | 175  | 220  | ..  |
| Hong Kong (China)                         | 21.0     | 9.6   | -18  | -23  | -26  | -21  | -30  | -32  | -20  | -18  | -9   | -11  | ..  |
| Singapore                                 | 29.9     | 17.4  | 33   | 36   | 17   | 31   | 18   | 10   | 10   | 15   | 11   | 15   | 12  |
| Taiwan (China)                            | 24.4     | 5.8   | 20   | 27   | 15   | 15   | 23   | 5    | 17   | 11   | 17   | 43   | 18  |
| <b>Developing countries</b>               | 0.0      | 0.0   | 151  | 109  | 23   | 43   | 38   | -15  | 26   | 59   | 31   | 559  | ..  |
| East Asia and Pacific                     | 400.0    | 8.0   | 138  | 220  | 186  | 91   | 180  | 204  | 269  | 285  | 291  | 588  | ..  |
| China                                     | 360.0    | 9.5   | 174  | 264  | 295  | 220  | 278  | 314  | 368  | 389  | 365  | 605  | 60  |
| Indonesia                                 | 3.6      | 0.7   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Thailand                                  | 0.6      | 0.2   | 1    | 12   | -1   | -1   | 16   | -7   | -11  | -22  | 0    | 21   | ..  |
| Malaysia                                  | 33.3     | 16.3  | 29   | 30   | 43   | 31   | 55   | 51   | 35   | 36   | 37   | 28   | ..  |
| Europe and Central Asia                   | ..       | ..    | -5   | -46  | -30  | 4    | -28  | -41  | -55  | -45  | -58  | 34   | ..  |
| Russian Federation                        | 103.4    | 6.4   | 143  | 135  | 184  | 224  | 200  | 196  | 118  | 122  | 91   | 128  | ..  |
| Turkey                                    | -46.9    | -8.3  | -54  | -63  | -69  | -74  | -78  | -77  | -48  | -37  | -41  | -14  | ..  |
| Poland                                    | -26.1    | -4.8  | -16  | -25  | -36  | -37  | -37  | -40  | -32  | -37  | -22  | -18  | ..  |
| Czech Republic                            | -6.1     | -2.9  | 1    | 4    | 4    | 5    | 6    | 4    | -1   | 3    | -6   | 1    | ..  |
| Latin America and Caribbean               | -18.4    | -0.5  | 35   | 6    | -61  | -35  | -47  | -69  | -94  | -81  | -97  | -68  | ..  |
| Brazil                                    | -29.4    | -1.9  | 46   | 40   | 24   | 21   | 33   | 24   | 19   | 27   | 16   | 6    | 28  |
| Mexico                                    | -15.3    | -1.6  | -6   | -10  | -17  | -14  | -10  | -21  | -23  | -25  | -20  | -12  | ..  |
| Argentina                                 | 7.0      | 2.4   | 12   | 11   | 13   | 16   | 6    | 21   | 10   | 14   | 4    | 16   | ..  |
| Colombia                                  | -5.5     | -2.9  | -2   | -3   | -2   | 0    | 0    | -2   | -6   | -11  | -3   | ..   | ..  |
| Middle East and North Africa              | ..       | ..    | 45   | 16   | ..   | 65   | 58   | 53   | ..   | ..   | ..   | ..   | ..  |
| Saudi Arabia                              | 143.0    | 29.3  | 125  | 104  | ..   | 163  | 166  | 176  | ..   | ..   | ..   | ..   | ..  |
| Iran                                      | 0.0      | 0.0   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Egypt                                     | 1.2      | 0.7   | -7   | -11  | ..   | -9   | -21  | -29  | ..   | -36  | ..   | ..   | ..  |
| Algeria                                   | 0.0      | 0.0   | 29   | 23   | ..   | 37   | 34   | 32   | ..   | ..   | ..   | ..   | ..  |
| South Asia                                | ..       | ..    | -74  | -99  | -154 | -127 | -156 | -196 | -140 | -145 | -128 | -97  | ..  |
| India                                     | ..       | ..    | -53  | -73  | -115 | -87  | -115 | -151 | -107 | -113 | -100 | -75  | ..  |
| Pakistan                                  | -15.7    | -9.9  | -13  | -15  | -23  | -25  | -25  | -25  | -16  | -15  | -14  | -11  | -9  |
| Bangladesh                                | ..       | ..    | -3   | -4   | ..   | -5   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Sri Lanka                                 | ..       | ..    | -3   | -3   | ..   | -6   | -5   | -6   | ..   | -6   | ..   | ..   | ..  |
| Sub-Saharan Africa                        | ..       | ..    | 21   | 14   | ..   | 62   | 49   | 55   | ..   | ..   | ..   | ..   | ..  |
| South Africa                              | -21.3    | -8.0  | -10  | -10  | -11  | -12  | -8   | -11  | -12  | -14  | -22  | -15  | ..  |
| Nigeria                                   | 18.9     | 9.9   | 24   | 20   | ..   | 27   | 31   | 32   | ..   | ..   | ..   | ..   | ..  |
| <i>Memo:</i>                              |          |       |      |      |      |      |      |      |      |      |      |      |     |
| OECD                                      | ..       | ..    | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Developing excl. China                    | ..       | ..    | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Developing oil exporters                  | 203.7    | ..    | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Developing non-oil exporters              | ..       | ..    | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |
| Asian high tech exporters                 | ..       | ..    | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..  |

a/ Seasonally adjusted

**Table A.8 Exchange Rates (USD/LCU)***(annual percent change except monthly data which is change over previous month a/)*

|                              | Weights | Average |      |      |       | 2008 |      | 2008  |       | 2008  | 2009  |       | Latest |
|------------------------------|---------|---------|------|------|-------|------|------|-------|-------|-------|-------|-------|--------|
|                              | 1995    | 1999-08 | 2006 | 2007 | 2008  | Q1   | Q2   | Q3    | Q4    | Dec   | Jan   | Feb   | 24-Mar |
| <b>World</b>                 | 100.0   | 94.7    | 0.4  | 5.7  | 4.4   | 9.3  | 10.7 | 6.7   | -7.4  | -0.1  | -0.9  | -2.9  | -0.7   |
| <b>High-income countries</b> | 78.3    | ..      | 0.0  | 6.1  | 4.7   | 10.2 | 11.8 | 6.8   | -8.2  | 1.2   | -0.4  | -2.8  | -0.7   |
| Industrial countries         | 70.6    | ..      | 0.1  | 7.0  | 5.0   | 11.4 | 12.9 | 7.2   | -9.3  | 1.4   | -0.4  | -3.0  | -0.8   |
| United States (SDR/USD)      | 15.7    | 0.7     | -1.4 | 4.1  | 3.9   | 5.5  | 7.6  | 5.8   | -2.9  | -2.1  | 1.8   | -1.7  | -0.6   |
| Japan                        | 7.4     | 114.3   | -6.4 | -1.5 | 12.4  | 9.5  | 16.1 | 11.7  | 12.6  | 3.8   | 7.1   | -2.8  | -5.1   |
| Euro Area                    | 29.5    | ..      | 1.0  | 9.1  | 6.9   | 14.3 | 15.8 | 9.1   | -9.1  | 6.0   | -1.8  | -3.5  | 0.9    |
| United Kingdom               | 5.6     | 0.6     | -0.6 | 9.5  | -5.3  | 1.3  | 0.5  | -2.1  | -18.5 | -9.1  | -5.9  | -0.2  | -2.4   |
| Other high income            | 7.7     | 101.6   | -0.4 | 0.5  | 2.7   | 1.9  | 4.3  | 4.1   | 0.5   | -0.7  | -0.5  | -1.3  | -0.3   |
| Hong Kong (China)            | 3.7     | 7.8     | 0.2  | -0.4 | 0.1   | -0.1 | 0.3  | 0.1   | 0.1   | 0.1   | -0.1  | 0.0   | 0.0    |
| Singapore                    | 2.3     | 1.7     | 3.8  | 5.6  | 7.2   | 7.5  | 10.8 | 10.8  | 0.3   | -2.0  | 1.1   | -1.8  | -1.2   |
| Taiwan (China)               | 2.1     | 32.9    | -1.6 | -0.8 | 4.4   | 1.9  | 8.6  | 7.3   | 0.1   | -1.3  | -0.6  | -2.7  | -0.7   |
| <b>Developing countries</b>  | 21.7    | 112.8   | 1.5  | 4.6  | 3.8   | 6.7  | 7.7  | 6.4   | -5.0  | -3.6  | -2.3  | -3.2  | -0.5   |
| East Asia and Pacific        | 7.5     | 101.4   | 3.6  | 5.8  | 4.7   | 6.6  | 7.6  | 5.3   | -0.4  | -3.6  | 1.6   | -1.6  | -0.9   |
| China                        | 2.7     | 8.1     | 2.7  | 4.6  | 9.3   | 7.3  | 9.9  | 10.7  | 9.6   | 0.0   | -0.1  | 0.0   | 0.0    |
| Indonesia                    | 1.1     | 9077.8  | 4.7  | 1.2  | -4.4  | -2.4 | -2.3 | -0.4  | -11.6 | -14.7 | 6.5   | -6.0  | -1.0   |
| Thailand                     | 1.3     | 39.3    | 4.6  | 10.4 | 4.5   | 8.1  | 9.9  | 1.9   | -1.4  | -1.9  | 0.4   | -1.2  | -1.5   |
| Malaysia                     | 1.4     | 3.7     | 2.8  | 6.7  | 4.2   | 7.5  | 8.0  | 5.4   | -3.5  | -2.5  | 1.4   | -1.8  | -1.5   |
| Europe and Central Asia      | 4.3     | 94.0    | 1.5  | 8.3  | 8.1   | 10.2 | 13.5 | 14.0  | -3.7  | -5.0  | -9.6  | -8.9  | 1.6    |
| Russian Federation           | 1.5     | 27.8    | 3.0  | 6.5  | 4.8   | 7.5  | 9.5  | 8.4   | -5.4  | -3.5  | -14.2 | -11.1 | 2.4    |
| Turkey                       | ..      | 1.2     | -5.2 | 7.4  | 4.2   | 20.0 | 8.2  | 8.2   | -15.5 | -7.1  | -0.6  | -3.6  | -3.7   |
| Poland                       | 0.5     | 3.6     | 2.8  | 11.8 | 18.4  | 20.3 | 28.6 | 30.4  | -1.7  | -7.8  | -8.5  | -12.1 | 1.3    |
| Czech Republic               | 0.5     | 28.3    | 4.1  | 11.4 | 21.2  | 20.9 | 30.1 | 33.3  | 3.4   | -6.0  | -3.6  | -7.8  | 5.6    |
| Latin America and Caribbean  | 5.5     | 135.1   | 1.8  | 2.7  | 3.1   | 5.9  | 7.6  | 7.6   | -7.5  | -3.1  | -2.4  | -2.2  | -0.7   |
| Brazil                       | 1.1     | 2.3     | 13.0 | 10.6 | 10.9  | 20.7 | 20.7 | 19.9  | -12.3 | -4.1  | -2.1  | -0.1  | -0.6   |
| Mexico                       | 1.7     | 10.4    | 0.6  | -0.5 | 0.1   | 0.7  | 3.9  | 6.5   | -9.3  | -4.5  | -6.0  | -4.7  | -1.4   |
| Argentina                    | 0.4     | 2.4     | -4.9 | -1.2 | -1.0  | -2.1 | -2.2 | 2.7   | -2.4  | -2.5  | -4.5  | -1.4  | -3.5   |
| Colombia                     | 0.3     | 2282.0  | -1.3 | 12.6 | 7.8   | 13.9 | 16.9 | 11.5  | -7.9  | -1.7  | 3.0   | -10.3 | 1.8    |
| Middle East and North Africa | 1.7     | 152.6   | -0.7 | 1.7  | 2.9   | 3.0  | 5.2  | 4.8   | -1.3  | -1.9  | -0.6  | -0.4  | -0.7   |
| Saudi Arabia                 | 0.8     | 3.7     | 0.1  | -0.1 | -0.1  | -0.1 | -0.1 | -0.1  | 0.0   | 0.0   | 0.0   | 0.0   | 0.0    |
| Iran                         | 0.4     | 6515.1  | -2.4 | -1.2 | -1.2  | -1.0 | 1.7  | -0.3  | -5.0  | 0.3   | -0.5  | 2.6   | -1.9   |
| Egypt                        | 0.3     | 5.0     | 1.4  | 1.4  | 3.9   | 3.7  | 5.8  | 5.7   | 0.5   | 0.2   | -0.1  | -0.8  | -1.2   |
| Algeria                      | 0.3     | 72.7    | 0.5  | 4.6  | 8.3   | 6.6  | 9.3  | 11.9  | 5.8   | -8.6  | -4.8  | -0.5  | -0.8   |
| South Asia                   | 1.2     | 105.4   | -3.1 | 4.7  | -3.5  | 7.9  | 1.5  | -5.8  | -15.2 | -0.6  | 0.0   | -0.7  | -2.9   |
| India                        | 0.8     | 44.9    | -3.1 | 8.6  | -2.2  | 12.3 | 3.6  | -5.1  | -16.7 | -0.7  | 0.2   | -0.9  | -4.2   |
| Pakistan                     | 0.2     | 58.9    | -1.2 | -0.9 | -11.9 | -0.6 | -5.6 | -14.7 | -23.3 | 0.4   | 1.0   | -0.5  | -1.0   |
| Bangladesh                   | 0.1     | 60.2    | -7.0 | -0.4 | 0.6   | 1.2  | 0.6  | 0.3   | 0.1   | -0.2  | -0.2  | -0.1  | -0.1   |
| Sri Lanka                    | 0.1     | 95.0    | -2.6 | -6.4 | 2.2   | -0.1 | 1.9  | 3.6   | 3.4   | -1.8  | -3.4  | -0.3  | 0.0    |
| Sub-Saharan Africa           | 1.5     | 114.9   | -3.5 | -0.4 | -3.0  | 4.4  | 1.0  | 0.1   | -14.9 | -5.4  | -1.8  | -1.2  | -0.9   |
| South Africa                 | 0.6     | 7.4     | -6.1 | -5.0 | -11.7 | -0.5 | -8.2 | -7.9  | -26.3 | -3.5  | 2.0   | -0.8  | -1.3   |
| Nigeria                      | 0.3     | 118.5   | 2.2  | 1.6  | 6.2   | 8.7  | 8.5  | 7.8   | 0.2   | -11.8 | -8.8  | -1.0  | 0.2    |
| <i>Memo:</i>                 |         |         |      |      |       |      |      |       |       |       |       |       |        |
| OECD                         | 73.7    | ..      | 0.1  | 6.9  | 5.1   | 11.2 | 12.9 | 7.6   | -9.1  | 1.1   | -0.7  | -3.2  | -0.7   |
| Developing excl. China       | 19.0    | 115.2   | 1.3  | 4.6  | 3.0   | 6.7  | 7.4  | 5.8   | -6.8  | -4.1  | -2.7  | -3.6  | -0.5   |
| Developing oil exporters     | 2.8     | 159.0   | 1.1  | 1.0  | -0.6  | 0.4  | 1.0  | 1.8   | -5.2  | -8.8  | 0.9   | -2.4  | -0.7   |
| Developing non-oil exporters | 19.0    | 107.2   | 1.5  | 5.2  | 4.4   | 7.7  | 8.7  | 7.2   | -4.9  | -2.8  | -2.8  | -3.3  | -0.4   |
| Asian high tech exporters    | ..      | ..      | ..   | ..   | ..    | ..   | ..   | ..    | ..    | ..    | ..    | ..    | ..     |

a/ An increase in the USD per LCU implies appreciation of the local currency. The aggregates computed by using trade weights and rebased to year 2000=100 (bilateral total trade i.e. imports plus exports in 1995 constant USD).

Aggregates are reported when at least 60% (by weight) of countries reported data in that time period.

b/ Average levels are LCU vis-a-vis the USD

## External Environment for Developing Countries

page 20

**Table A.9 Global Inflation***(annual percent change; seasonally adjusted a)*

|                              | Weights |         | Average |      |      | 2008 |      |      |      | 2008 |      |      | 2009 |  |
|------------------------------|---------|---------|---------|------|------|------|------|------|------|------|------|------|------|--|
|                              | 1995    | 1999-08 | 2006    | 2007 | 2008 | Q1   | Q2   | Q3   | Q4   | Nov  | Dec  | Jan  | Feb  |  |
| <b>World</b>                 | ..      | 4.5     | 3.1     | 2.9  | 4.5  | 4.3  | 4.8  | 5.8  | 3.7  | 3.6  | ..   | ..   | 2.1  |  |
| <b>High-income countries</b> | ..      | 3.3     | 2.3     | 2.1  | 3.3  | 3.2  | 3.6  | 4.3  | 2.1  | 1.9  | 1.1  | 0.8  | 0.8  |  |
| Industrial countries         | 3.5     | 3.2     | 2.3     | 2.1  | 3.2  | 3.2  | 3.5  | 4.2  | 2.0  | 1.8  | 1.0  | 0.7  | 0.8  |  |
| United States                | 0.8     | 3.8     | 3.2     | 2.9  | 3.8  | 4.1  | 4.4  | 5.3  | 1.6  | 1.1  | 0.1  | 0.0  | 0.2  |  |
| Japan                        | 1.2     | 1.4     | 0.2     | 0.1  | 1.4  | 1.0  | 1.4  | 2.2  | 1.0  | 1.0  | 0.4  | 0.0  | ..   |  |
| Euro Area                    | 2.5     | 3.3     | 2.2     | 2.1  | 3.3  | 3.3  | 3.6  | 3.8  | 2.3  | 2.1  | 1.6  | 1.1  | 1.2  |  |
| United Kingdom               | 5.0     | 3.6     | 2.3     | 2.3  | 3.6  | 2.4  | 3.4  | 4.8  | 3.9  | 4.1  | 3.1  | 3.0  | ..   |  |
| Other high income            | ..      | 5.8     | 1.6     | 2.4  | 5.8  | 5.4  | 6.7  | 6.8  | 4.9  | 5.2  | 4.3  | ..   | ..   |  |
| Hong Kong (China)            | 3.7     | 4.3     | 2.0     | 2.0  | 4.3  | 4.6  | 5.7  | 4.6  | 2.3  | 3.1  | 2.0  | 3.1  | 0.8  |  |
| Singapore                    | 4.4     | 6.5     | 1.0     | 2.1  | 6.5  | 6.6  | 7.5  | 6.6  | 5.4  | 5.5  | 4.3  | 2.9  | ..   |  |
| Taiwan (China)               | 4.6     | 3.5     | 0.6     | 1.8  | 3.5  | 3.6  | 4.2  | 4.5  | 1.9  | 1.9  | 1.3  | 1.5  | -1.3 |  |
| <b>Developing countries</b>  | 10.0    | 9.0     | 6.2     | 6.0  | 9.0  | 8.0  | 9.1  | 11.3 | 9.3  | 9.7  | ..   | ..   | 6.6  |  |
| East Asia and Pacific        | 10.1    | 7.5     | 5.4     | 5.2  | 7.5  | 6.5  | 9.7  | 11.3 | 8.7  | 9.2  | 7.7  | 3.9  | 3.7  |  |
| China                        | 1.5     | 5.8     | 1.5     | 4.8  | 5.8  | 8.0  | 7.8  | 5.3  | 2.5  | 2.4  | 1.2  | 1.0  | -1.6 |  |
| Indonesia                    | 11.2    | 10.0    | 13.1    | 5.8  | 10.0 | 6.5  | 10.1 | 12.0 | 11.5 | 11.7 | 11.1 | 9.2  | 8.6  |  |
| Thailand                     | 1.5     | 5.5     | 4.6     | 2.2  | 5.5  | 5.0  | 7.5  | 7.3  | 2.1  | 2.2  | 0.4  | -0.4 | -0.1 |  |
| Malaysia                     | 6.1     | 5.4     | 3.6     | 2.0  | 5.4  | 2.6  | 4.9  | 8.4  | 5.9  | 5.7  | 4.4  | 3.9  | 3.7  |  |
| Europe and Central Asia      | 10.8    | 10.4    | 5.6     | 8.0  | 10.4 | 10.6 | 11.4 | 11.3 | 8.3  | 8.7  | 7.0  | 7.1  | 7.7  |  |
| Russian Federation           | 12.1    | 14.1    | 9.7     | 9.0  | 14.1 | 12.9 | 14.9 | 14.9 | 13.7 | 13.8 | 13.3 | 13.4 | 13.9 |  |
| Turkey                       | 11.7    | 10.4    | 9.6     | 8.8  | 10.4 | 8.8  | 10.3 | 11.7 | 10.9 | 10.8 | 10.1 | 9.5  | 7.7  |  |
| Poland                       | 3.4     | 4.3     | 1.1     | 2.4  | 4.3  | 4.3  | 4.5  | 4.8  | 3.8  | 3.8  | 3.4  | 3.2  | 3.7  |  |
| Czech Republic               | 1.1     | 6.3     | 2.5     | 2.9  | 6.3  | 7.4  | 6.7  | 6.6  | 4.5  | 4.4  | 3.6  | 2.2  | ..   |  |
| Latin America and Caribbean  | 9.4     | 8.7     | 5.8     | 6.2  | 8.7  | 8.4  | 9.1  | 9.9  | 9.1  | 9.6  | 7.7  | 6.5  | 6.2  |  |
| Brazil                       | 6.1     | 5.7     | 4.2     | 3.6  | 5.7  | 4.6  | 5.6  | 6.3  | 6.2  | 6.4  | 5.9  | 5.8  | 5.9  |  |
| Mexico                       | 6.4     | 5.1     | 3.6     | 4.0  | 5.1  | 3.9  | 4.9  | 5.5  | 6.2  | 6.2  | 6.5  | 6.3  | 6.2  |  |
| Argentina                    | 7.1     | 8.6     | 10.9    | 8.8  | 8.6  | 8.5  | 9.1  | 8.9  | 7.8  | 7.9  | 7.2  | 6.8  | 6.8  |  |
| Colombia                     | 7.3     | 7.0     | 4.3     | 5.5  | 7.0  | 6.1  | 6.4  | 7.7  | 7.8  | 7.7  | 7.7  | 7.2  | 6.5  |  |
| Middle East and North Africa | ..      | ..      | 5.4     | 4.7  | ..   | 8.4  | 14.1 | 13.6 | ..   | ..   | ..   | ..   | ..   |  |
| Saudi Arabia                 | 10.9    | 9.7     | 2.1     | 3.9  | 9.7  | 7.4  | 10.1 | 10.9 | 10.2 | 10.9 | 9.5  | ..   | ..   |  |
| Iran                         | ..      | ..      | 11.6    | 16.8 | ..   | 19.7 | 24.0 | 26.7 | ..   | ..   | ..   | ..   | ..   |  |
| Egypt                        | 18.6    | 18.3    | 7.6     | 9.5  | 18.3 | 12.3 | 18.8 | 22.5 | 19.6 | 20.3 | 18.3 | 14.4 | 13.5 |  |
| Algeria                      | 1.8     | 0.1     | 2.3     | 3.6  | ..   | 4.3  | 6.1  | 2.1  | ..   | 4.1  | ..   | ..   | ..   |  |
| South Asia                   | 11.3    | 15.5    | 7.7     | 7.6  | 15.5 | 11.1 | 8.4  | 12.1 | 13.6 | 13.4 | ..   | ..   | ..   |  |
| India                        | 12.7    | 8.3     | 6.2     | 6.4  | 8.3  | 6.3  | 7.8  | 9.0  | 10.2 | 10.4 | 9.7  | 10.4 | ..   |  |
| Pakistan                     | 26.5    | ..      | 7.9     | 7.6  | ..   | 12.4 | 19.3 | 24.5 | ..   | 24.7 | ..   | ..   | 21.1 |  |
| Bangladesh                   | 10.1    | ..      | 6.8     | 8.7  | ..   | 11.1 | 8.4  | 10.3 | ..   | 7.3  | ..   | ..   | ..   |  |
| Sri Lanka                    | 14.4    | 22.6    | 10.0    | 15.8 | 22.6 | 22.1 | 26.5 | 25.2 | 16.9 | 16.3 | 14.4 | 10.7 | 7.6  |  |
| Sub-Saharan Africa           | ..      | ..      | ..      | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   |  |
| South Africa                 | ..      | ..      | ..      | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   |  |
| Nigeria                      | 17.3    | ..      | 8.5     | 5.5  | ..   | 7.7  | 8.6  | 12.8 | ..   | 14.7 | ..   | ..   | ..   |  |
| <i>Memo:</i>                 |         |         |         |      |      |      |      |      |      |      |      |      |      |  |
| OECD                         | 3.5     | 3.3     | 2.4     | 2.2  | 3.3  | 3.2  | 3.6  | 4.3  | 2.2  | 2.0  | 1.2  | 1.0  | 1.1  |  |
| Developing excl. China       | ..      | ..      | ..      | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   |  |
| Developing oil exporters     | 11.8    | ..      | 10.0    | 5.7  | ..   | 8.8  | 11.3 | 13.2 | ..   | 13.2 | ..   | ..   | ..   |  |
| Developing non-oil exporters | 9.8     | 8.7     | 6.1     | 6.2  | 8.7  | 8.0  | 9.0  | 11.1 | 9.2  | 9.6  | ..   | ..   | 6.5  |  |
| Asian high tech exporters    | ..      | ..      | ..      | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   | ..   |  |

a/ Developing country aggregates computed using median. Industrial aggregates use 1995 USD GDP weights. World total is GDP weighted average of developing and high income total. Aggregates are reported when at least 60% (by GDP) of countries reported data in that time period.

For developing countries, aggregate decadal growth rates are median of the decadal growth rates of the components. For high-income countries, aggregate decadal growth rate is GDP weighted sum of decadal growth rates of components.





## External Environment for Developing Countries

page 21

Table A.10 Global Central Bank Interest Rates

(percentage a/)

|   | Weights |       |       |       |       | 2008  |       |       |       | 2008  |       |        | 2009 |    | Latest |
|---|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--------|------|----|--------|
|   | 1995    | 2006  | 2007  | 2008  | Q1    | Q2    | Q3    | Q4    | Dec   | Jan   | Feb   | 24-Mar |      |    |        |
| <b>World</b>                                    | 100.0   | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     | ..   | .. | ..     |
| <b>High-income countries<sup>b</sup></b>        | 82.8    | 3.83  | 4.13  | 2.32  | 3.12  | 2.48  | 2.41  | 1.25  | 0.80  | 0.64  | 0.56  | 0.45   |      |    |        |
| Industrial countries                            | 80.6    | 3.84  | 4.15  | 2.32  | 3.14  | 2.49  | 2.41  | 1.25  | 0.80  | 0.65  | 0.56  | 0.46   |      |    |        |
| United States (US Federal funds rate)           | 25.5    | 4.96  | 5.02  | 1.93  | 3.16  | 2.09  | 1.96  | 0.52  | 0.17  | 0.16  | 0.22  | 0.18   |      |    |        |
| Japan (Discount Rate)                           | 18.4    | 0.24  | 0.70  | 0.70  | 0.75  | 0.75  | 0.75  | 0.55  | 0.42  | 0.30  | 0.30  | 0.30   |      |    |        |
| Euro Area (Eurosyst main refi rate-minimum bid) | 24.5    | 2.76  | 3.84  | 3.89  | 4.00  | 4.00  | 4.23  | 3.34  | 2.73  | 2.32  | 2.00  | 1.50   |      |    |        |
| United Kingdom (Clearing bank's base rate)      | 3.9     | 4.64  | 5.51  | 4.67  | 5.35  | 5.03  | 5.00  | 3.32  | 2.13  | 1.61  | 1.08  | 0.50   |      |    |        |
| Other high income                               | 2.2     | 3.27  | 3.37  | 2.16  | 2.60  | 2.37  | 2.36  | 1.32  | 0.79  | 0.43  | 0.34  | ..     |      |    |        |
| Hong Kong (Discount rate)                       | 0.5     | 6.50  | 6.52  | 3.13  | 4.25  | 3.58  | 3.50  | 1.17  | 0.50  | 0.50  | 0.50  | ..     |      |    |        |
| Singapore (MAS Interbank 1 month rate)          | 0.3     | 3.40  | 2.68  | 1.15  | 1.47  | 1.09  | 1.03  | 1.01  | 0.75  | 0.61  | 0.44  | 0.44   |      |    |        |
| Taiwan (Interbank swap overnight rate)          | 0.9     | 1.56  | 1.96  | 1.93  | 2.08  | 2.10  | 2.14  | 1.40  | 0.86  | 0.27  | 0.14  | 0.13   |      |    |        |
| <b>Developing countries</b>                     | 17.2    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| East Asia and Pacific                           | 4.4     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| China (Lending rate, 6m to 1y)                  | 2.4     | 5.86  | 6.71  | 7.18  | 7.47  | 7.47  | 7.43  | 6.34  | 5.50  | 5.31  | 5.31  | 5.31   |      |    |        |
| Indonesia (SBI 90 day rate)                     | 0.7     | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18  | 9.18   |      |    |        |
| Thailand (14day Repo Rate - BOT)                | 0.6     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Malaysia (Interbank overnight rate)             | 0.3     | 3.39  | 3.50  | 3.48  | 3.50  | 3.50  | 3.50  | 3.41  | 3.25  | 3.00  | 2.41  | 1.99   |      |    |        |
| Europe and Central Asia                         | 3.0     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Russian Federation (Discount (Refin.))          | 1.2     | 11.64 | 10.27 | 10.87 | 10.16 | 10.48 | 10.97 | 11.88 | 13.00 | 13.00 | 13.00 | 13.00  |      |    |        |
| Turkey (Interbank 1 week average)               | 0.6     | 16.76 | 18.37 | 17.05 | 16.39 | 16.48 | 17.80 | 17.55 | 16.86 | 14.77 | 13.14 | 11.13  |      |    |        |
| Poland (Interbank 2 week)                       | 0.4     | 4.09  | 4.48  | 5.88  | 5.40  | 5.95  | 6.10  | 6.05  | 5.71  | 5.01  | 4.19  | 3.60   |      |    |        |
| Czech Republic (Repo rate 2 weeks)              | 0.2     | 2.17  | 2.86  | 3.49  | 3.65  | 3.75  | 3.60  | 2.98  | 2.53  | 2.25  | 1.85  | 1.75   |      |    |        |
| Latin America and Caribbean                     | 5.8     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Brazil (SELIC Target rate)                      | 2.4     | 15.33 | 12.05 | 12.45 | 11.25 | 11.81 | 12.97 | 13.75 | 13.75 | 13.43 | 12.75 | 11.25  |      |    |        |
| Mexico (CETES 91 day closing)                   | 1.0     | 7.30  | 7.36  | 7.88  | 7.52  | 7.64  | 8.29  | 8.09  | 8.18  | 7.74  | 7.31  | 7.29   |      |    |        |
| Argentina (30 Day deposit)                      | 0.9     | 6.45  | 8.09  | 11.43 | 8.41  | 10.42 | 11.46 | 15.42 | 15.65 | 14.29 | 11.69 | 10.73  |      |    |        |
| Colombia (Fixed Term Deposit)                   | 0.3     | 6.27  | 7.94  | 9.68  | 9.24  | 9.67  | 9.80  | 10.02 | 10.19 | 9.73  | 9.24  | 8.13   |      |    |        |
| Middle East and North Africa                    | 1.4     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Saudi Arabia (IMF discount rate)                | 0.4     | 5.02  | 4.79  | ..    | 2.52  | 2.14  | 3.10  | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Iran (IMF discount rate)                        | 0.3     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Egypt (IMF discount rate)                       | 0.2     | 9.00  | 9.00  | ..    | 9.00  | 9.33  | 10.83 | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Algeria (IMF discount rate)                     | 0.1     | 4.00  | 4.00  | ..    | 4.00  | 4.00  | 4.00  | ..    | ..    | ..    | ..    | ..     |      |    |        |
| South Asia                                      | 1.6     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| India (Bank deposit 365+ days)                  | 1.2     | 5.97  | 7.04  | 7.90  | 7.50  | 7.50  | 7.59  | 9.00  | 9.00  | 9.00  | 9.00  | 9.00   |      |    |        |
| Pakistan (Repo 7-15 day)                        | 0.2     | 8.58  | 9.09  | 10.63 | 9.53  | 10.16 | 11.70 | 11.12 | 10.37 | 11.19 | 11.29 | 12.38  |      |    |        |
| Bangladesh (Bank Rate)                          | 0.1     | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | 5.00  | ..    | ..    | ..     |      |    |        |
| Sri Lanka (Central bank repurchase)             | 0.0     | 9.14  | 10.43 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.50 | 10.36 | 10.25  |      |    |        |
| Sub-Saharan Africa                              | 1.0     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| South Africa (Repo rate)                        | 0.5     | 7.63  | 9.61  | 11.61 | 11.00 | 11.53 | 12.00 | 11.90 | 11.70 | 11.50 | 10.70 | 10.50  |      |    |        |
| Nigeria (IMF discount rate)                     | 0.1     | 13.25 | 9.13  | ..    | 9.50  | 10.08 | 10.08 | ..    | ..    | ..    | ..    | ..     |      |    |        |
| <i>Memo:</i>                                    |         |       |       |       |       |       |       |       |       |       |       |        |      |    |        |
| OECD  | 83.0    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Developing excl. China                          | 14.8    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Developing oil exporters                        | 2.0     | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Developing non-oil exporters                    | 15.2    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |
| Asian high tech exporters                       | ..      | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..    | ..     |      |    |        |

a/ Monthly figures are simple averages of the daily figures; except for the latest month, the figure reported for the latest month is the value on the date the data has been reported (which is the last daily observation one day before the note becomes available).

b/ High-income aggregates use 1995 USD GDP weights.

## External Environment for Developing Countries

page 22

**Table A.11 Stock Markets***(indices, year 2000=100)*

|  | Weights<br>1995 | Average<br>1999-08 | 2006 | 2007 | 2008 | 2008<br>Q1 | 2008<br>Q2 | 2008<br>Q3 | 2008<br>Q4 | 2008<br>Dec | Jan | Feb | Latest<br>24-Mar |
|--|-----------------|--------------------|------|------|------|------------|------------|------------|------------|-------------|-----|-----|------------------|
| <b>World</b>                             | ..              | 91                 | 106  | 124  | 102  | 115        | 112        | 93         | 72         | 72          | 65  | 59  | 65               |
| <b>High-income countries</b>             | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Industrial countries                     | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| United States                            | ..              | 89                 | 100  | 112  | 92   | 100        | 98         | 89         | 68         | 68          | 63  | 56  | 63               |
| Japan                                    | ..              | 84                 | 107  | 109  | 77   | 79         | 86         | 71         | 56         | 56          | 52  | 49  | 52               |
| Euro Area                                | ..              | 99                 | 121  | 148  | 117  | 137        | 129        | 103        | 80         | 80          | 70  | 63  | 69               |
| United Kingdom                           | ..              | 88                 | 98   | 106  | 88   | 94         | 92         | 81         | 73         | 73          | 69  | 63  | 65               |
| Other high income <sup>a</sup>           | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Hong Kong (China)                        | ..              | ..                 | 127  | 152  | 125  | 142        | 136        | 113        | 81         | 81          | 78  | 73  | 72               |
| Singapore                                | ..              | ..                 | 113  | 150  | 121  | 126        | 124        | 107        | 121        | 121         | 124 | 111 | 111              |
| Taiwan (China)                           | ..              | 72                 | 80   | 94   | 85   | 100        | 88         | 62         | 51 ..      | ..          | ..  | ..  | ..               |
| <b>Developing countries<sup>ab</sup></b> | ..              | 156                | 203  | 275  | 262  | 282        | 268        | 219        | 160 ..     | ..          | ..  | ..  | ..               |
| East Asia and Pacific <sup>c</sup>       | ..              | 123                | 146  | 219  | 192  | 216        | 187        | 144        | 108 ..     | ..          | ..  | ..  | ..               |
| China                                    | ..              | 118                | 109  | 240  | 215  | 238        | 202        | 157        | 118 ..     | ..          | ..  | ..  | ..               |
| Indonesia                                | ..              | 207                | 268  | 397  | 415  | 462        | 442        | 322        | 188 ..     | ..          | ..  | ..  | ..               |
| Thailand                                 | ..              | 188                | 231  | 282  | 274  | 325        | 284        | 215        | 143 ..     | ..          | ..  | ..  | ..               |
| Malaysia                                 | ..              | 116                | 120  | 183  | 169  | 182        | 168        | 135        | 110 ..     | ..          | ..  | ..  | ..               |
| Europe and Central Asia                  | ..              | ..                 | 398  | 495  | 461  | 508        | 535        | 333        | 216 ..     | ..          | ..  | ..  | ..               |
| Russian Federation                       | ..              | 525                | 878  | 1046 | 996  | 1116       | 1218       | 662        | 428 ..     | ..          | ..  | ..  | ..               |
| Turkey                                   | ..              | 87                 | 119  | 166  | 139  | 130        | 126        | 124        | 81 ..      | ..          | ..  | ..  | ..               |
| Poland                                   | ..              | 168                | 228  | 319  | 272  | 313        | 278        | 226        | 148 ..     | ..          | ..  | ..  | ..               |
| Czech Republic                           | ..              | 354                | 484  | 674  | 789  | 853        | 928        | 639        | 459 ..     | ..          | ..  | ..  | ..               |
| Latin America and Caribbean              | ..              | 203                | 263  | 394  | 426  | 447        | 487        | 333        | 228 ..     | ..          | ..  | ..  | ..               |
| Brazil                                   | ..              | 199                | 254  | 398  | 471  | 474        | 558        | 349        | 237 ..     | ..          | ..  | ..  | ..               |
| Mexico                                   | ..              | 193                | 260  | 360  | 337  | 376        | 360        | 290        | 197 ..     | ..          | ..  | ..  | ..               |
| Argentina                                | ..              | 104                | 150  | 190  | 177  | 189        | 234        | 138        | 81 ..      | ..          | ..  | ..  | ..               |
| Colombia                                 | ..              | 352                | 589  | 685  | 653  | 685        | 686        | 615        | 522        | 522         | 490 | 457 | 500              |
| Middle East and North Africa             | ..              | ..                 | 332  | 366  | 384  | 387        | 402        | 397        | 286 ..     | ..          | ..  | ..  | ..               |
| Saudi Arabia                             | ..              | ..                 | 527  | 339  | 340  | 389        | 385        | 309        | 197        | 197         | 197 | 186 | 186              |
| Iran                                     | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Egypt                                    | ..              | 213                | 328  | 412  | 484  | 573        | 512        | 359        | 243        | ..          | ..  | ..  | ..               |
| Algeria                                  | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| South Asia                               | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| India                                    | ..              | 198                | 266  | 411  | 375  | 413        | 327        | 283        | 199        | ..          | ..  | ..  | ..               |
| Pakistan                                 | ..              | 241                | 370  | 452  | 346  | 528        | 375        | 231        | 134        | 134         | 123 | 135 | 154              |
| Bangladesh                               | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Sri Lanka                                | ..              | 229                | 312  | 358  | 283  | 330        | 314        | 261        | 171        | 171         | 198 | 180 | 173              |
| Sub-Saharan Africa                       | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| South Africa                             | ..              | 216                | 307  | 378  | 322  | 326        | 330        | 275        | 201        | ..          | ..  | ..  | ..               |
| Nigeria                                  | ..              | 409                | 450  | 807  | 868  | 1096       | 947        | 801        | 442        | 442         | 275 | 310 | 264              |
| <i>Memo:</i>                             |                 |                    |      |      |      |            |            |            |            |             |     |     |                  |
| OECD                                     | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Developing excl. China                   | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Developing oil exporters                 | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Developing non-oil exporters             | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |
| Asian high tech exporters                | ..              | ..                 | ..   | ..   | ..   | ..         | ..         | ..         | ..         | ..          | ..  | ..  | ..               |

a/ Average for Developing countries and Other High Income countries is for the period 1995-2002

Note: Quarterly and Monthly data is constructed from daily data by taking the last observation for the month. Annual data is the average over 12 months.

b/ Aggregates defined by IFC/S&amp;P

c/ East Asia Pacific including South Asia

Source: World - Morgan Stanley Capital International Index; USA - Wilshire 5000; Japan - Topix; Euro Area - S&amp;P EUROPE 350; UK - Standard and Poor's 350; Hong Kong - Hang Seng Composite; Singapore - Singapore Stock Exchange Composite Index;

All Others are IFC/S&amp;P Indices

## External Environment for Developing Countries

**Table A.12 GDP and current account forecasts***(annual percent change; billions of US dollars)*

|                              | GDP  |       |      | Gross domestic Product |       |      |      |        |      | Current Account Balance |        |      |       |  |  |
|------------------------------|------|-------|------|------------------------|-------|------|------|--------|------|-------------------------|--------|------|-------|--|--|
|                              | 2008 | 2009  |      |                        | 2010  |      |      | 2009   |      |                         | 2010   |      |       |  |  |
|                              |      | Cons. | EIU  | OECD                   | Cons. | EIU  | OECD | Cons.  | EIU  | OECD                    | Cons.  | EIU  | OECD  |  |  |
| <b>World</b>                 | 2.2  | -0.3  | -1.4 | -0.4                   | 2.5   | 1.3  | 1.4  | -25    | ..   | ..                      | -16    | ..   | ..    |  |  |
| <b>High-income countries</b> | 1.1  | -1.5  | -2.5 | -0.5                   | 1.6   | 0.3  | 1.4  | -146   | ..   | ..                      | -183   | ..   | ..    |  |  |
| Industrial countries         | 1.1  | -1.5  | -2.5 | -0.5                   | 1.6   | 0.3  | 1.4  | -216   | ..   | ..                      | -254   | ..   | ..    |  |  |
| United States                | 1.2  | -1.8  | -2.0 | -0.9                   | 2.3   | 0.6  | 1.6  | -419   | -484 | -562                    | -492   | -457 | -537  |  |  |
| Japan                        | 0.4  | -1.7  | -3.8 | -0.2                   | 1.1   | -0.1 | 0.6  | 200    | 192  | 231                     | 212    | 111  | 211   |  |  |
| Euro Area                    | 1.1  | -1.4  | -2.2 | -0.6                   | 0.8   | 0.1  | 1.2  | -19    | ..   | -8                      | -12    | ..   | -4    |  |  |
| United Kingdom               | 0.8  | -2.2  | -3.2 | -1.1                   | 0.6   | -1.1 | 0.9  | -48    | -29  | -35                     | -44    | -22  | -50   |  |  |
| Other high income            | 2.6  | -0.8  | -3.6 | ..                     | 3.0   | 1.2  | ..   | 70     | ..   | ..                      | 71     | ..   | ..    |  |  |
| Hong Kong (China)            | 2.9  | -1.3  | -4.7 | ..                     | 2.6   | 0.2  | ..   | 20     | ..   | ..                      | 21     | ..   | ..    |  |  |
| Singapore                    | 2.0  | -2.4  | -7.2 | ..                     | 3.5   | 1.8  | ..   | 26     | ..   | ..                      | 26     | ..   | ..    |  |  |
| Taiwan (China)               | 2.1  | -1.1  | -3.5 | ..                     | 3.1   | 1.1  | ..   | 25     | ..   | ..                      | 25     | ..   | ..    |  |  |
| <b>Developing countries</b>  | 6.2  | 3.6   | 2.3  | ..                     | 5.0   | 4.3  | ..   | 120.8  | ..   | ..                      | 166.8  | ..   | ..    |  |  |
| East Asia and Pacific        | 8.4  | 6.4   | 4.8  | ..                     | 7.6   | 6.3  | ..   | 371.8  | ..   | ..                      | 368.7  | ..   | ..    |  |  |
| China                        | 9.3  | 7.4   | 6.0  | ..                     | 8.4   | 7.3  | ..   | 338.6  | 0.3  | 437.2                   | 332.1  | 0.3  | 472.4 |  |  |
| Indonesia                    | 6.1  | 4.0   | 1.9  | ..                     | 5.0   | 2.2  | ..   | 3.2    | ..   | ..                      | 4.3    | ..   | ..    |  |  |
| Thailand                     | 4.3  | 1.1   | -1.8 | ..                     | 3.7   | 2.2  | ..   | 2.5    | ..   | ..                      | 4.2    | ..   | ..    |  |  |
| Malaysia                     | 5.3  | 1.4   | -0.3 | ..                     | 4.3   | 2.8  | ..   | 25.1   | ..   | ..                      | 25.5   | ..   | ..    |  |  |
| Europe and Central Asia      | 4.5  | 0.4   | 0.0  | ..                     | 3.0   | 2.8  | ..   | -117.3 | ..   | ..                      | -97.4  | ..   | ..    |  |  |
| Russian Federation           | 6.7  | 1.1   | 1.0  | ..                     | 3.5   | 4.0  | ..   | -9.1   | ..   | ..                      | 10.8   | ..   | ..    |  |  |
| Turkey                       | 1.6  | -0.5  | -1.5 | 1.6                    | 3.2   | 1.7  | 4.2  | -23.4  | ..   | -40.0                   | -29.1  | ..   | -41.7 |  |  |
| Poland                       | 5.1  | 1.9   | 2.9  | 3.0                    | 2.9   | 3.6  | 3.5  | -23.5  | ..   | -29.3                   | -26.6  | ..   | -31.3 |  |  |
| Czech Republic               | 4.2  | 0.3   | -1.4 | 2.5                    | 2.3   | 1.9  | 4.4  | -6.1   | ..   | -6.0                    | -6.1   | ..   | -7.1  |  |  |
| Latin America and Caribbean  | 4.5  | 0.9   | -0.4 | ..                     | 2.8   | 1.8  | ..   | -70.2  | ..   | ..                      | -68.2  | ..   | ..    |  |  |
| Brazil                       | 5.5  | 1.7   | 1.6  | ..                     | 3.3   | 3.2  | ..   | -24.6  | ..   | ..                      | -31.0  | ..   | ..    |  |  |
| Mexico                       | 1.7  | -0.7  | -1.8 | 0.4                    | 2.2   | 1.4  | 1.8  | -22.9  | ..   | -29.5                   | -24.0  | ..   | -31.5 |  |  |
| Argentina                    | 6.3  | 0.5   | -2.7 | ..                     | 2.3   | 1.7  | ..   | 1.5    | ..   | ..                      | 1.3    | ..   | ..    |  |  |
| Colombia                     | 3.5  | 2.4   | -0.5 | ..                     | 3.3   | 1.5  | ..   | -7.1   | ..   | ..                      | -6.8   | ..   | ..    |  |  |
| Middle East and North Africa | ..   | ..    | ..   | ..                     | ..    | ..   | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| Saudi Arabia                 | 5.5  | 2.1   | 0.4  | ..                     | 3.9   | 3.3  | ..   | 5.1    | ..   | ..                      | 23.1   | ..   | ..    |  |  |
| Iran                         | ..   | ..    | ..   | ..                     | ..    | ..   | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| Egypt                        | 6.9  | 4.8   | 4.9  | ..                     | 4.3   | 4.5  | ..   | -3.5   | ..   | ..                      | -4.2   | ..   | ..    |  |  |
| Algeria                      | ..   | ..    | ..   | ..                     | ..    | ..   | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| South Asia                   | 6.4  | 6.2   | 4.6  | ..                     | 5.4   | 6.0  | ..   | -48.9  | ..   | ..                      | -39.8  | ..   | ..    |  |  |
| India                        | 6.9  | 6.7   | 5.0  | ..                     | 5.6   | 6.6  | ..   | -33.9  | ..   | ..                      | -24.0  | -0.1 | ..    |  |  |
| Pakistan                     | 3.1  | 3.1   | 1.2  | ..                     | 4.2   | 3.1  | ..   | -15.0  | ..   | ..                      | -15.8  | ..   | ..    |  |  |
| Bangladesh                   | 5.4  | 4.9   | 5.5  | ..                     | 5.5   | 3.9  | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| Sri Lanka                    | 5.7  | ..    | 3.2  | ..                     | ..    | 5.4  | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| Sub-Saharan Africa           | ..   | ..    | ..   | ..                     | ..    | ..   | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |
| South Africa                 | 3.4  | 2.0   | 1.0  | ..                     | 3.7   | 3.1  | ..   | -20.2  | ..   | ..                      | -21.2  | ..   | ..    |  |  |
| Nigeria                      | 6.1  | 5.6   | 3.5  | ..                     | 6.4   | 4.8  | ..   | 3.9    | ..   | ..                      | 5.8    | ..   | ..    |  |  |
| <b>Memo:</b>                 |      |       |      |                        |       |      |      |        |      |                         |        |      |       |  |  |
| OECD                         | 1.1  | -1.4  | -2.4 | -0.4                   | 1.6   | 0.3  | 1.4  | -303   | ..   | ..                      | -349   | ..   | ..    |  |  |
| Developing excl. China       | 4.9  | 2.0   | 0.8  | ..                     | 3.6   | 3.0  | ..   | -217.9 | ..   | ..                      | -165.4 | ..   | ..    |  |  |
| Developing oil exporters     | 5.7  | 2.7   | 0.4  | ..                     | 3.8   | 1.2  | ..   | 14.8   | ..   | ..                      | 43.1   | ..   | ..    |  |  |
| Developing non-oil exporters | 6.2  | 3.7   | 2.5  | ..                     | 5.1   | 4.6  | ..   | 105.9  | ..   | ..                      | 123.6  | ..   | ..    |  |  |
| Asian high tech exporters    | ..   | ..    | ..   | ..                     | ..    | ..   | ..   | ..     | ..   | ..                      | ..     | ..   | ..    |  |  |

Sources: Consensus Economics Ltd.; The Economist Intelligence Unit and OECD.

## Regional Aggregates:

Latin America and Caribbean: ARG,BOL,BRA,CHL,COL,CRI,DOM,ECU,MEX,PAN,PER,PRY,URY,VEN

Europe and Central Asia: BGR,CZE,EST,HRV,HUN,KAZ,POL,ROM,RUS,SVK,TUR,UKR

East Asia and Pacific: CHN, IDN,MYS,PHL,THA

Middle-East and North Africa: DZA,EGY,IRN,IRQ,JOR,LBN,MAR,OMN,SAU,SYR,TUN,YEM

South Asia: BGD,IND,PAK

Sub-Saharan Africa: AGO,BWA,CIV,CMR,GAB,GHA,KEN,MUS,MWI,NAM,NGA,SDN,TZA,UGA,ZAF,ZMB,ZWE

## Other Aggregates:

OECD: AUS,AUT,CAN,CHE,CZE,DEU,DNK,ESP,FIN,FRA,GBR,GRC,HUN,IRL,ISL,ITA,JPN,KOR,MEX,NLD,NOR,POL,PRT,SVK,SWE,TUR,USA

Industrial Countries: AUS,AUT,CAN,CHE,DEU,DNK,ESP,FIN,FRA,GBR,GRC,ITA,JPN,KOR,NLD,NOR,PRT,SWE,USA

Other High Income: HKG,ISR,SGP,SVN

Developing Oil Exporters: IDN,NGA,SAU,VEN