



The Financial Crisis is Now Global

- ☞ Recession in all major industrial regions
- ☞ World trade and global capital flows falling
- ☞ Emerging markets facing “sudden stop”
- ☞ Emerging Europe particularly threatened
- ☞ Asian countries also feeling the heat

Emerging Europe Affected

- ☞ Banking sector severely affected
- ☞ Real sector: Industrial production dropping
- ☞ Fiscal capacity to respond limited
- ☞ IMF packages (Hungary, Ukraine, Serbia...)