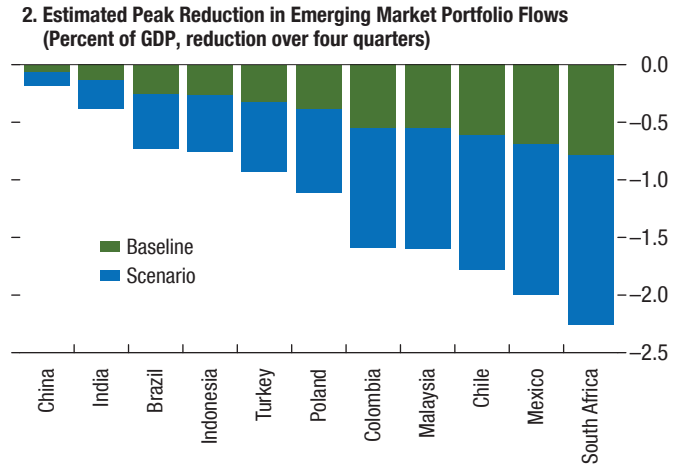
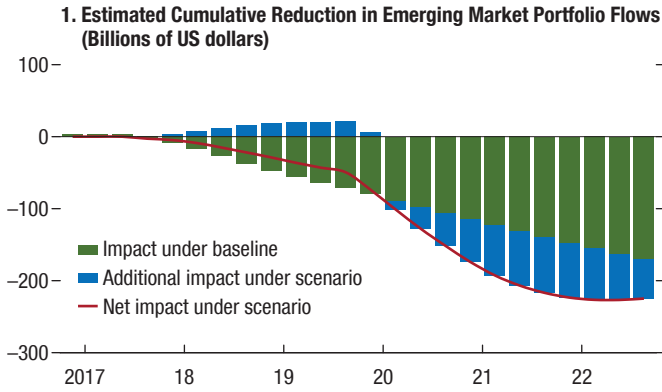


**Figure 1.31. Emerging Market Economy External Vulnerabilities and Corporate Leverage**

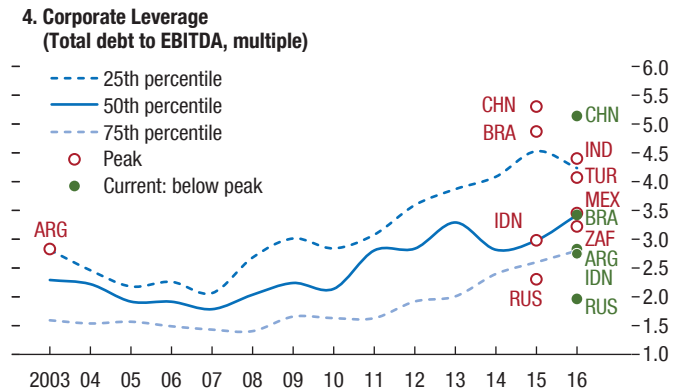
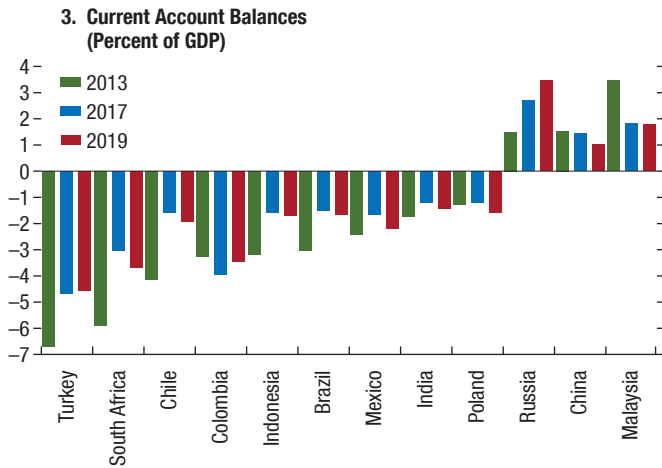
US monetary normalization and a global asset market correction would increase capital outflow pressures.

Countries that previously received large inflows may see sizable outflows.



Outflows could be challenging for countries with large current account deficits ...

... and put pressure on those with high levels of corporate leverage.



Sources: Bank of America Merrill Lynch; Bloomberg Finance L.P.; Capital IQ; Haver Analytics; and IMF staff calculations.  
 Note: Data labels in the figure use International Organization for Standardization (ISO) country codes. EBITDA = earnings before interest, taxes, depreciation, and amortization.