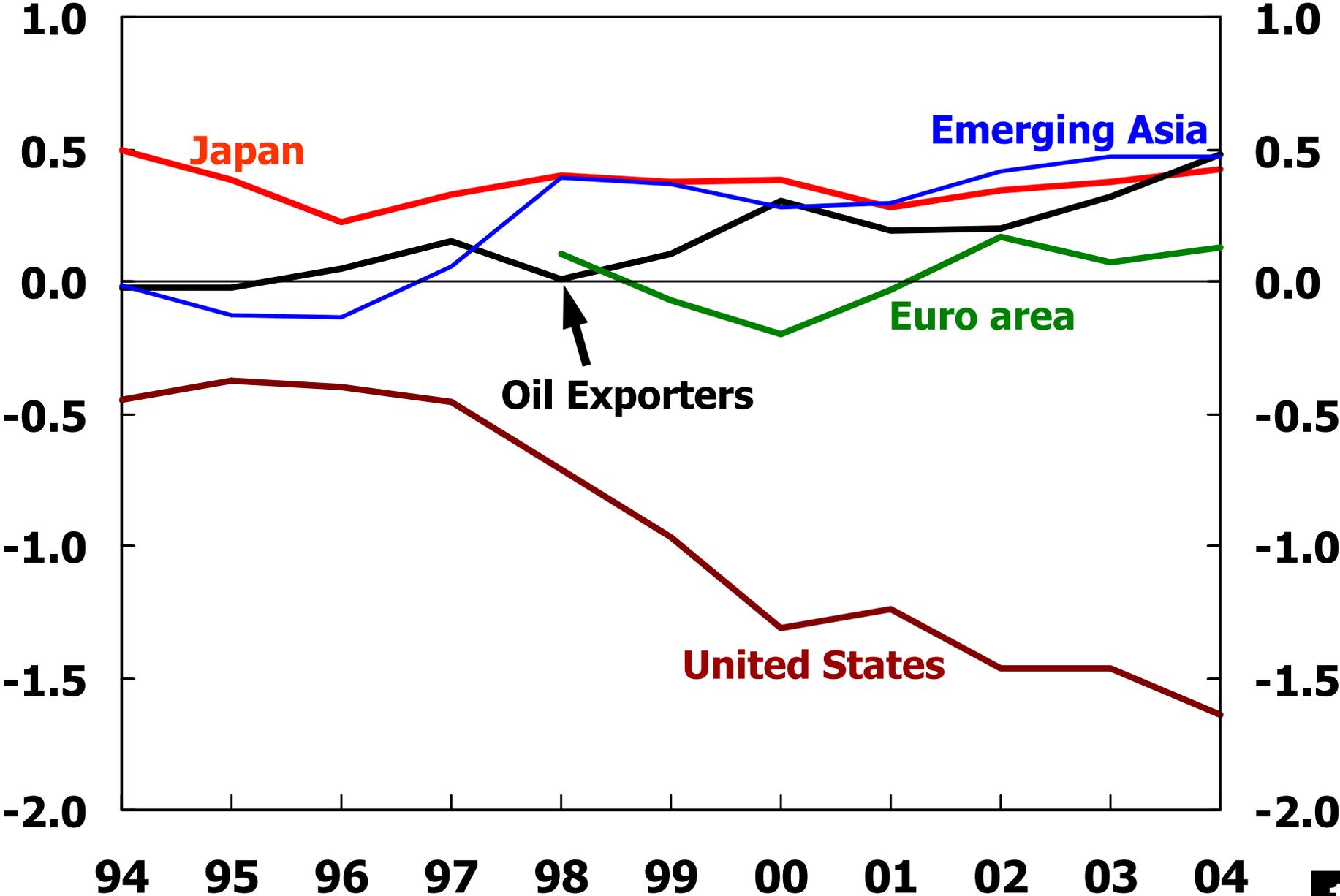


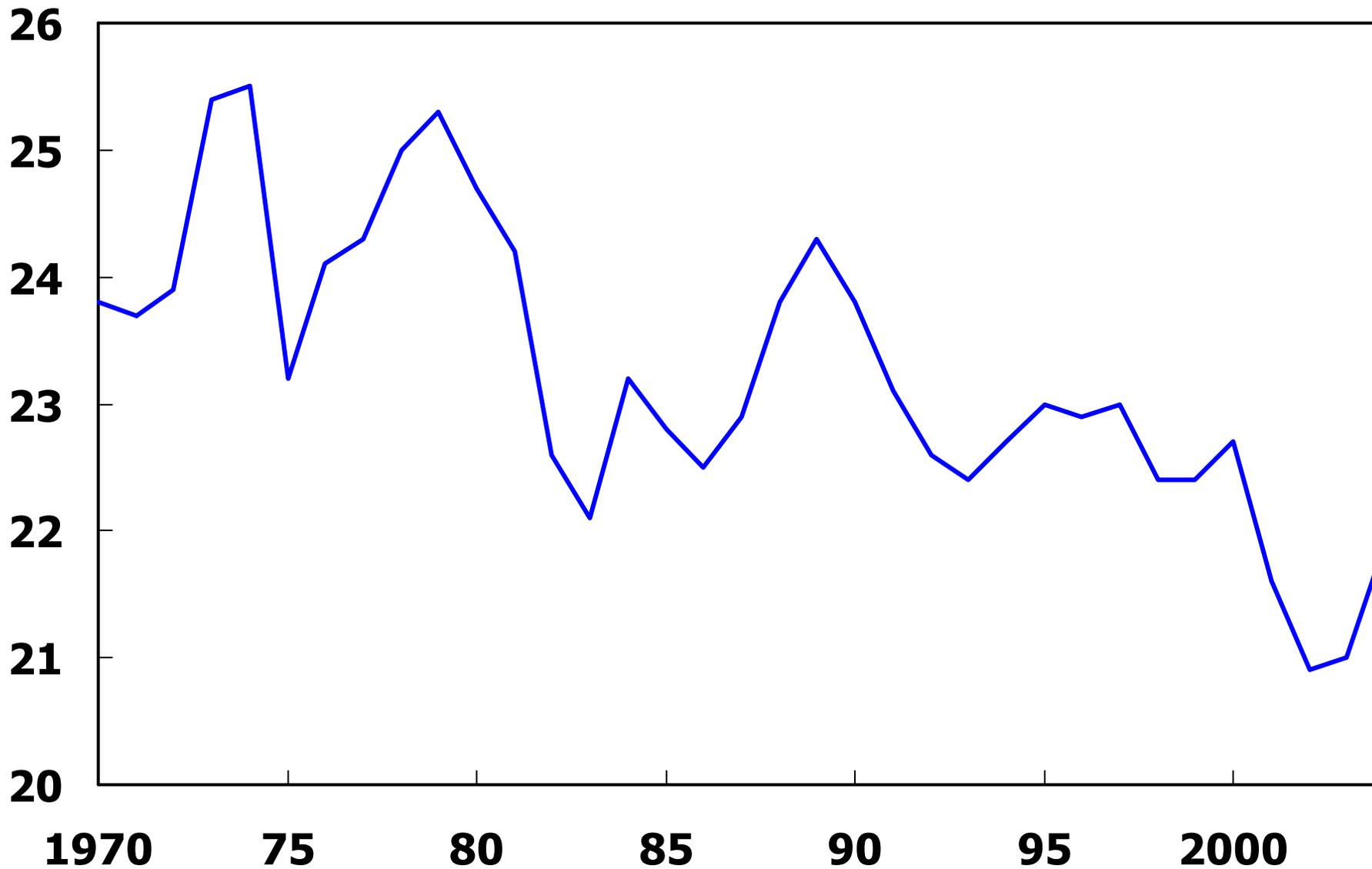
# Current Account Balances

(in percent of world GDP)



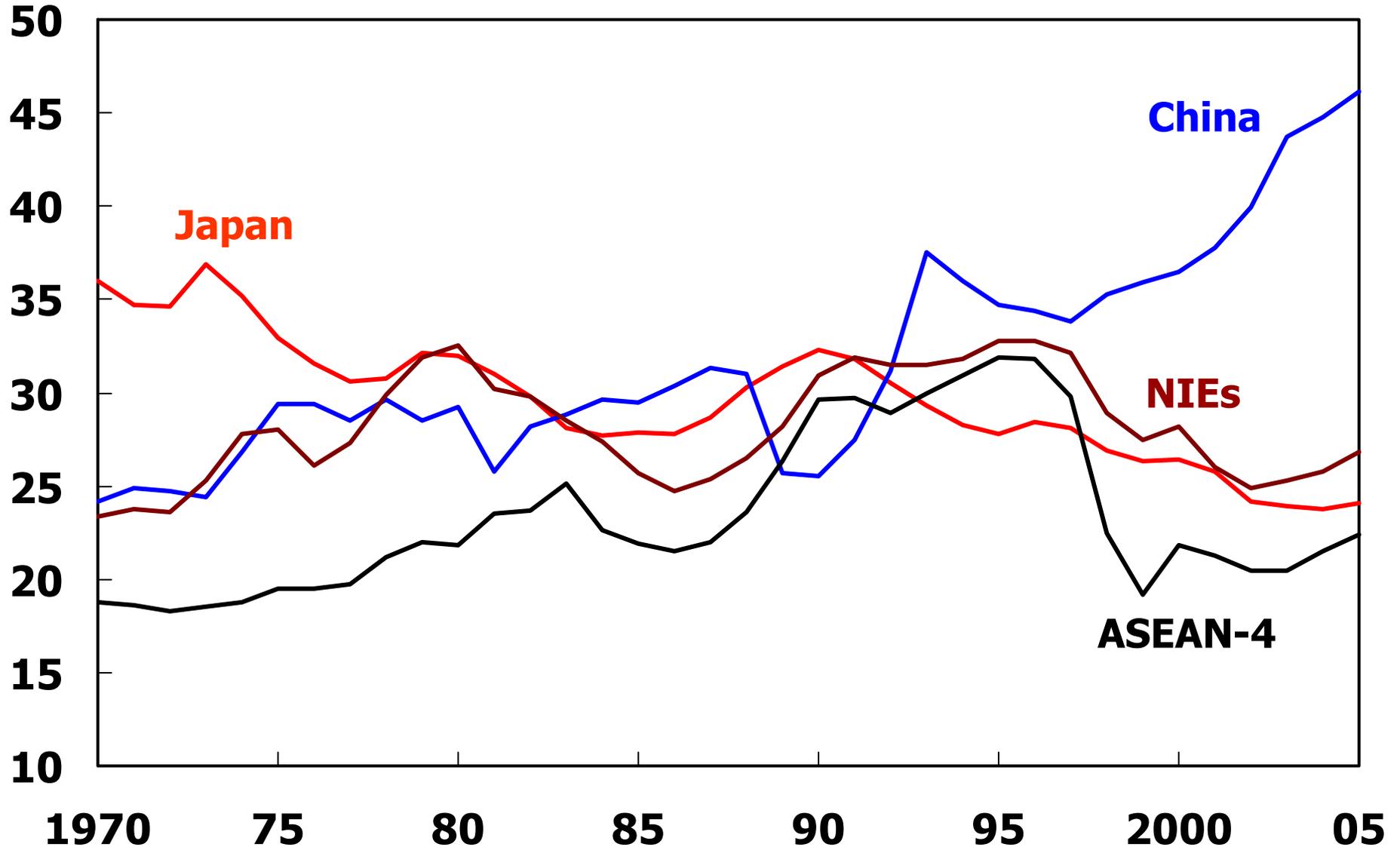
# Global Investment

*(in percent of world GDP)*



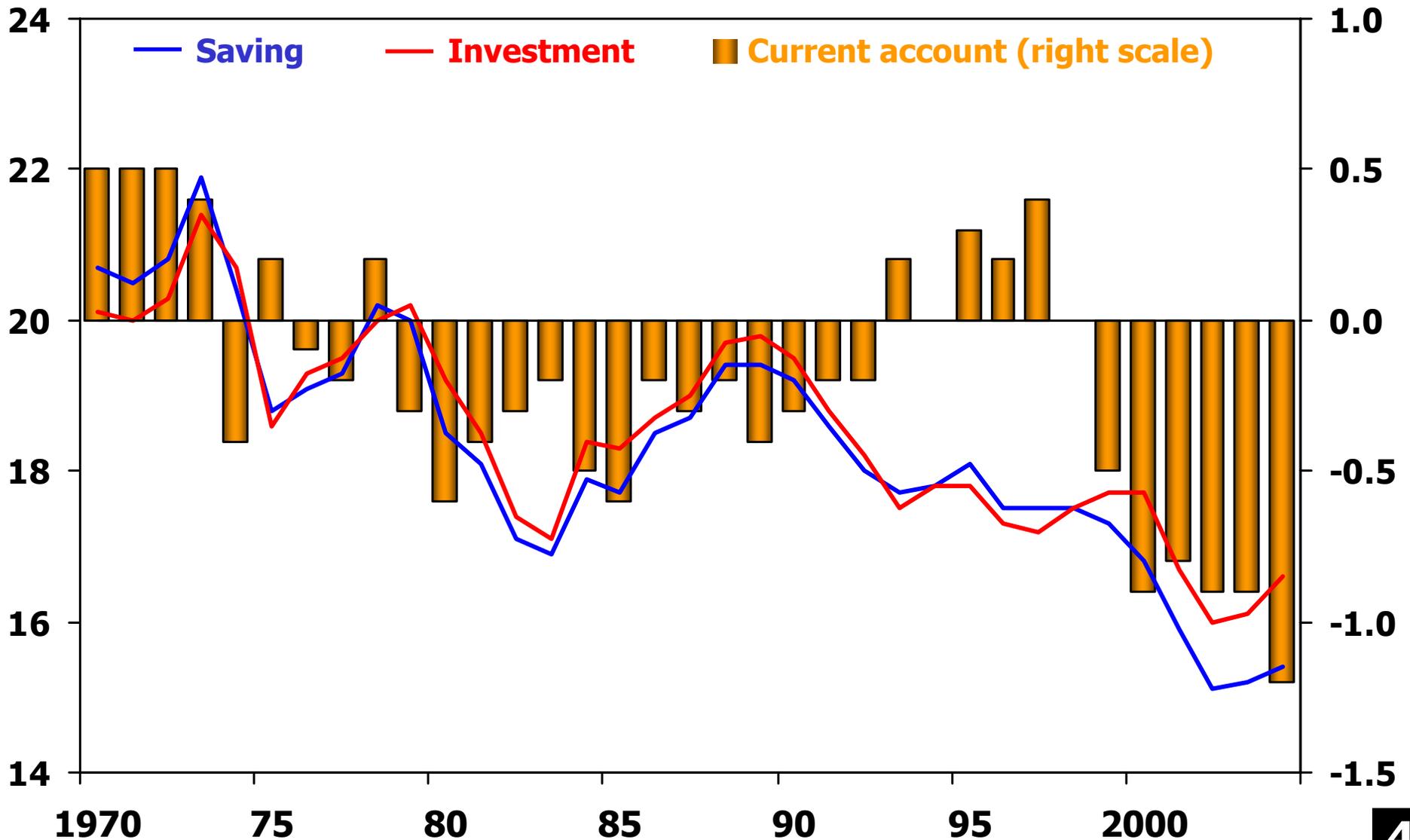
# Asia: Investment

*(in percent of own GDP)*



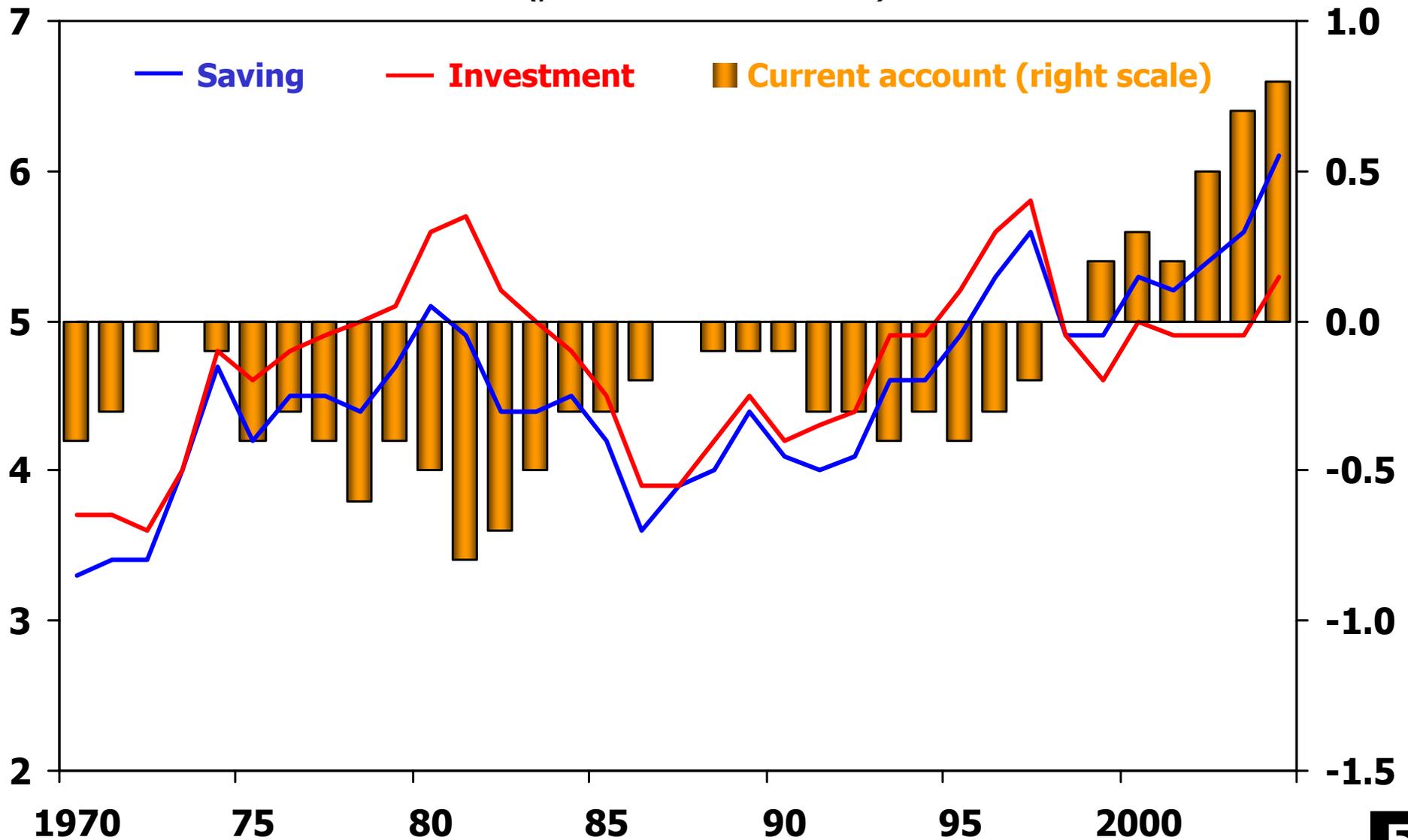
# Industrial Countries: Saving, Investment and Current Account

*(percent of world GDP)*



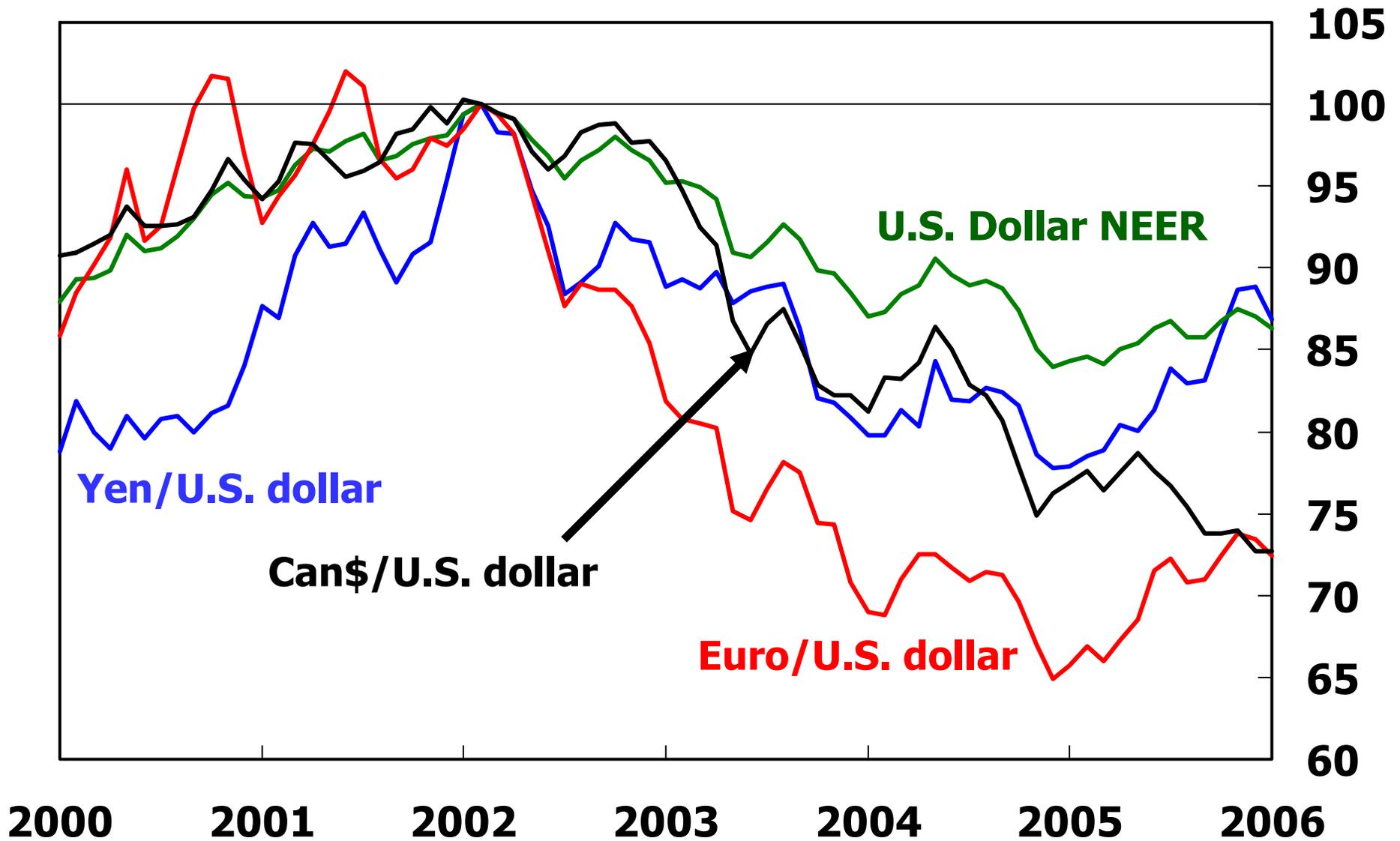
# Emerging Market and Oil-Producing Economies: Saving, Investment and Current Account

*(percent of world GDP)*



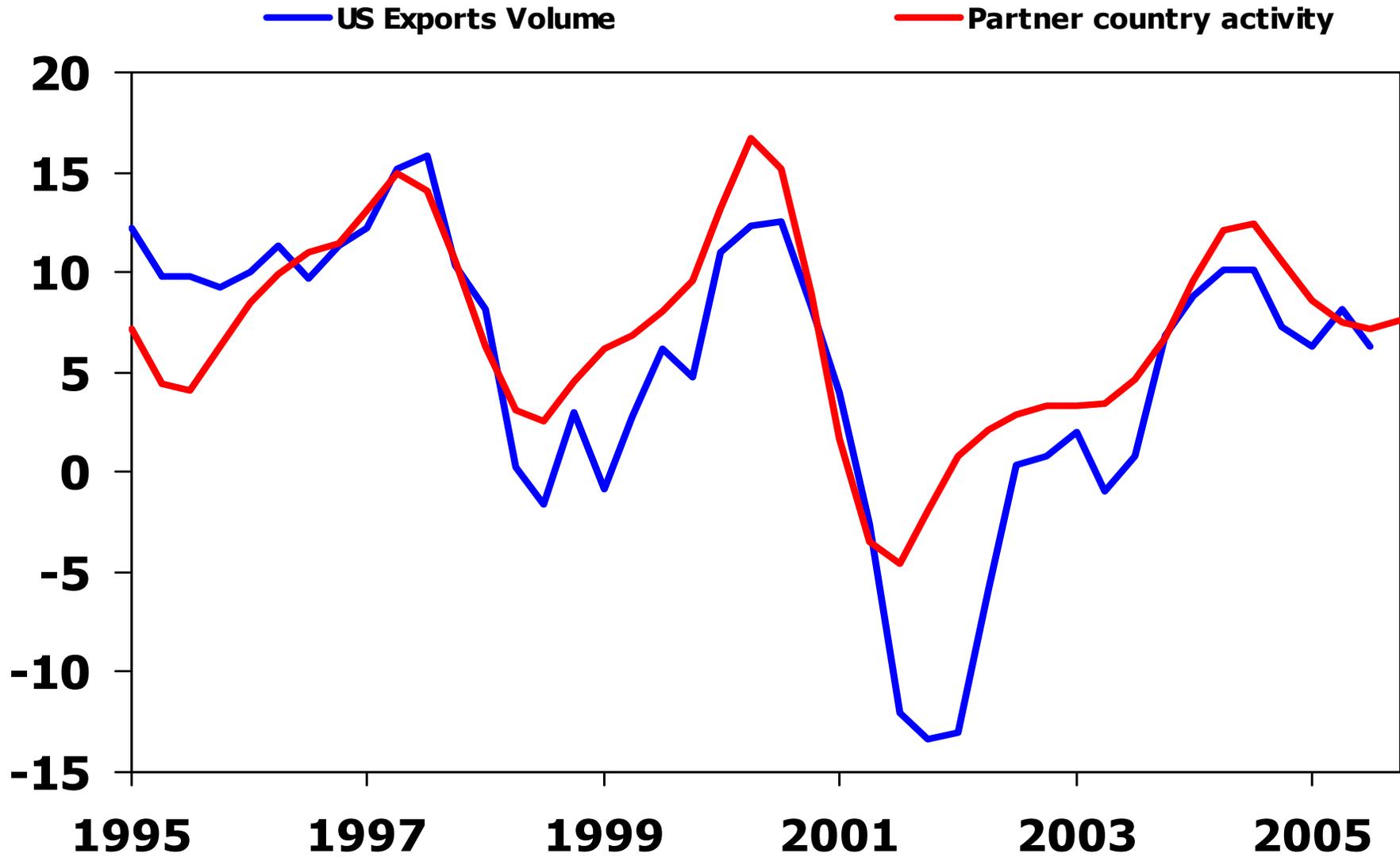
# Global Exchange Rates

*(indices; Feb-2002=100)*



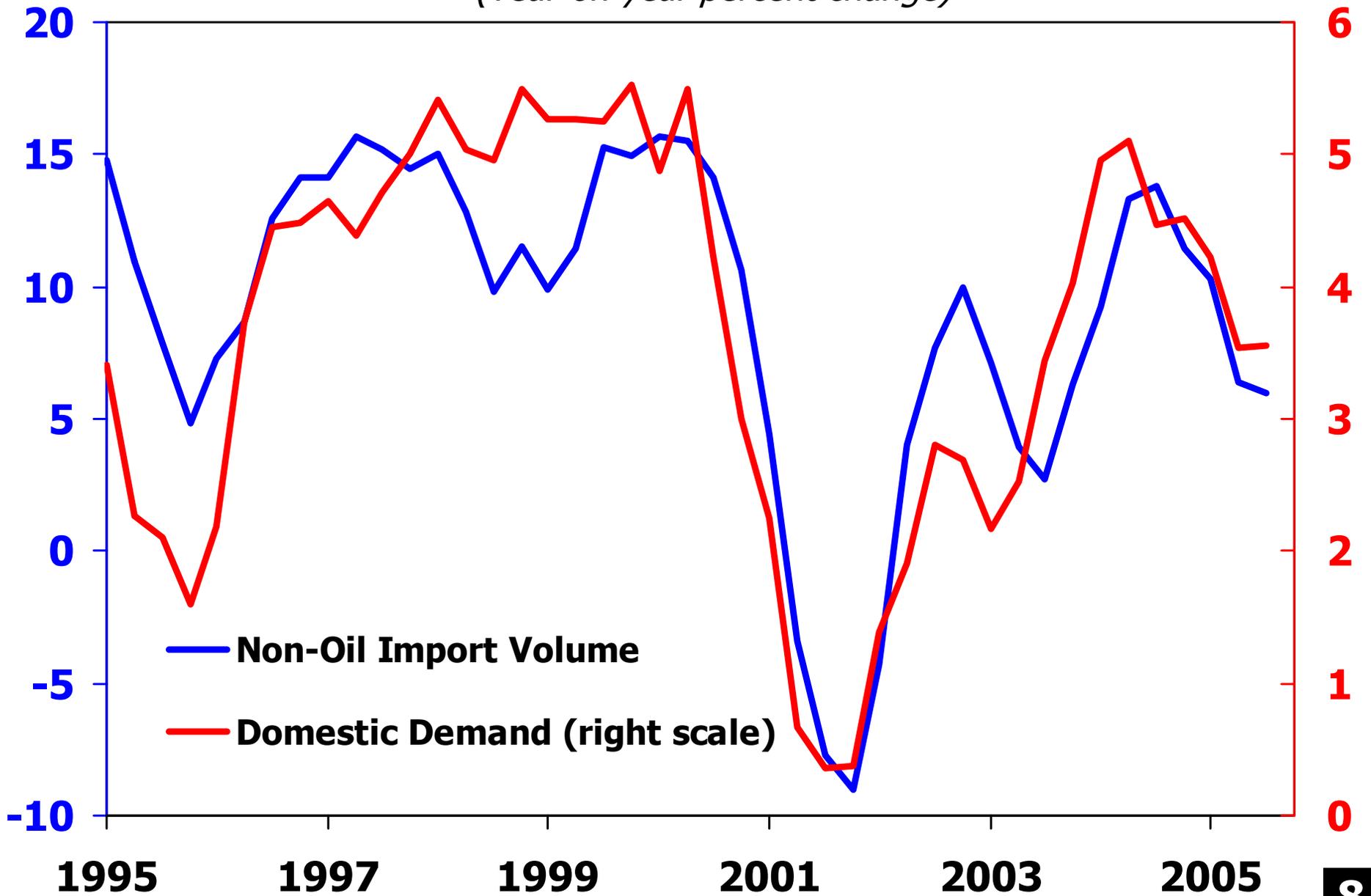
# United States: Exports, Foreign Activity and Exchange Rate

*(Year-on-year percent change)*



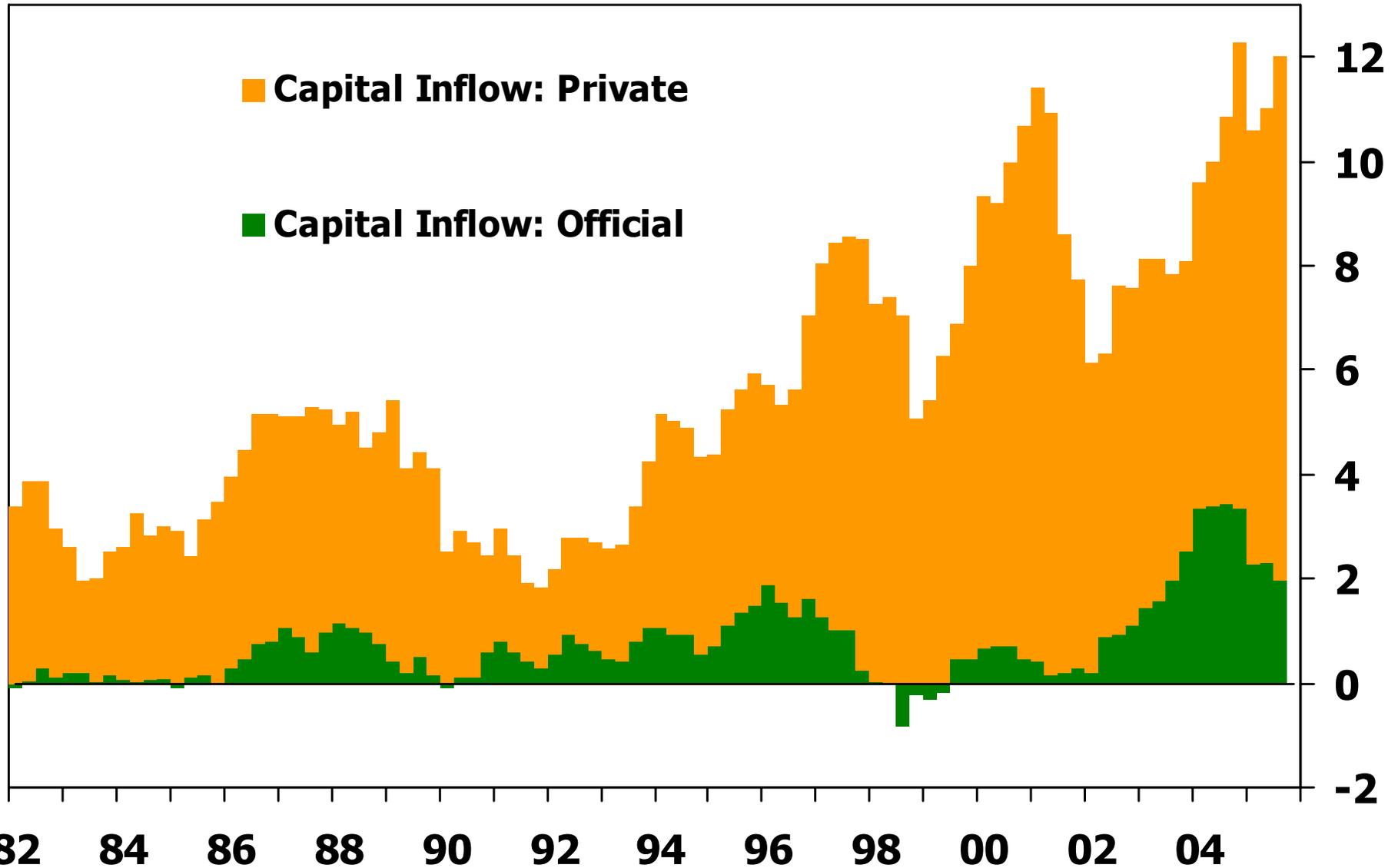
# United States: Imports and Exchange Rates

*(Year-on-year percent change)*



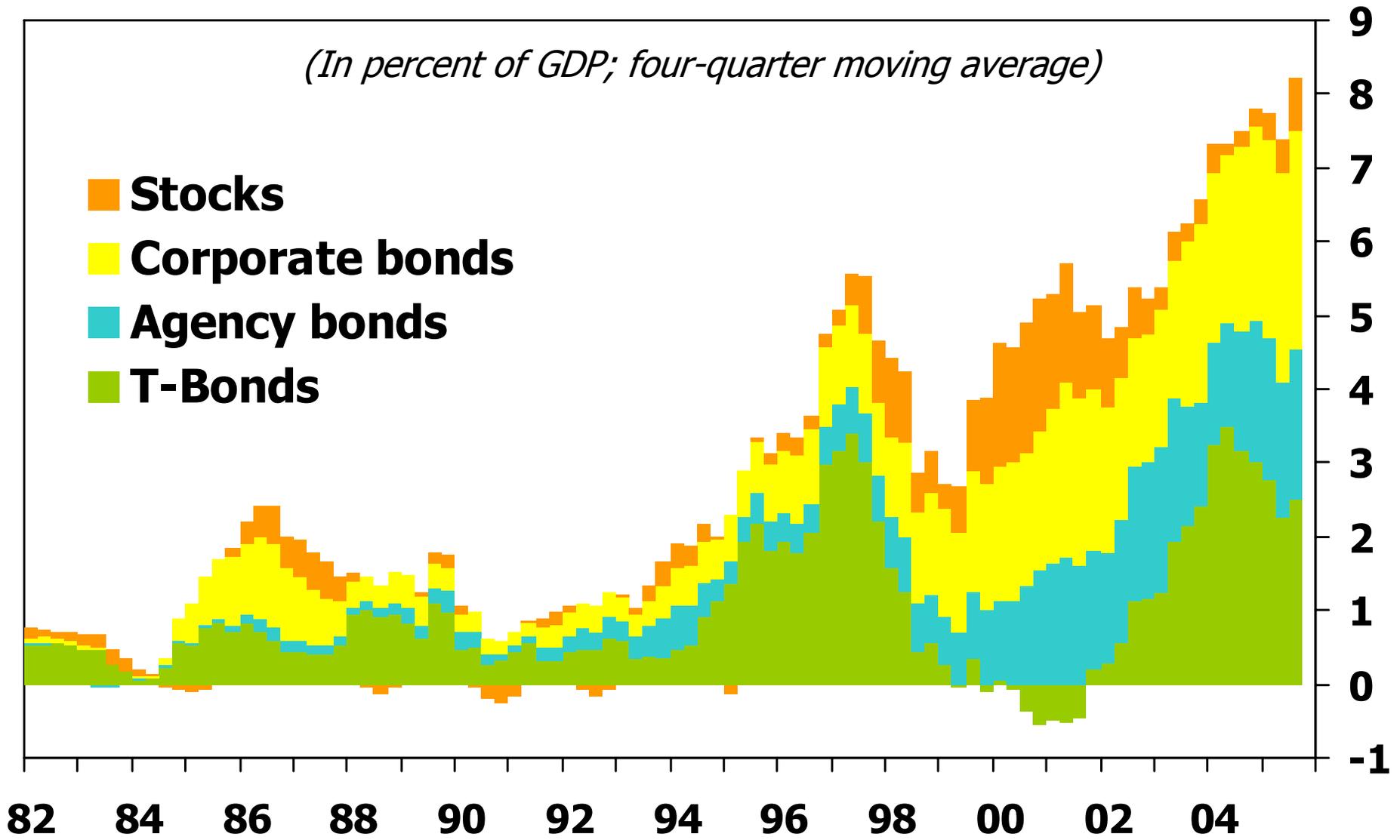
# U.S.: Capital Inflow

*(In percent of GDP; four-quarter moving average)*



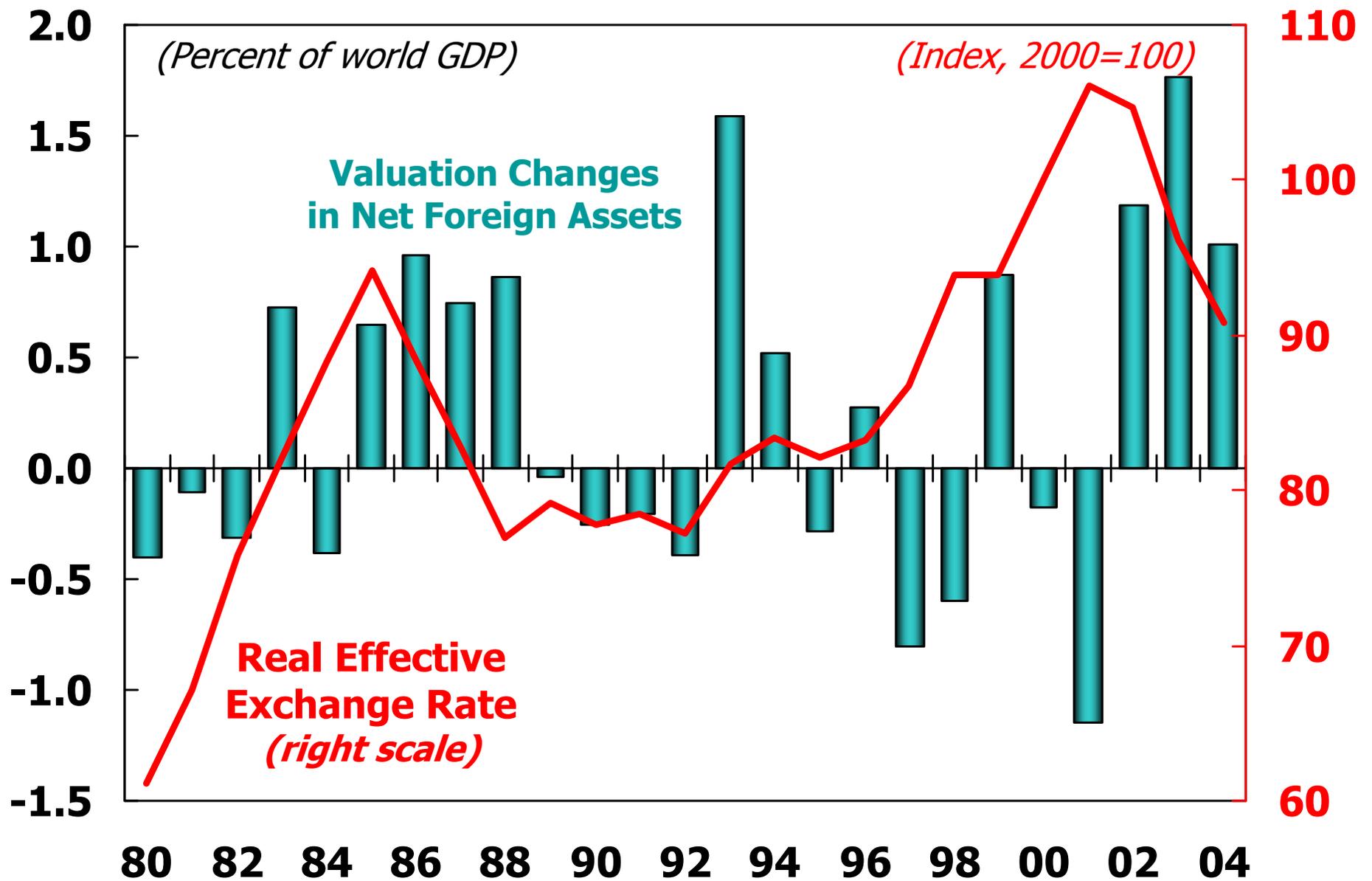
Source: Bureau of Economic Analysis.

# U.S. Long-Term Securities Purchased by Foreigners



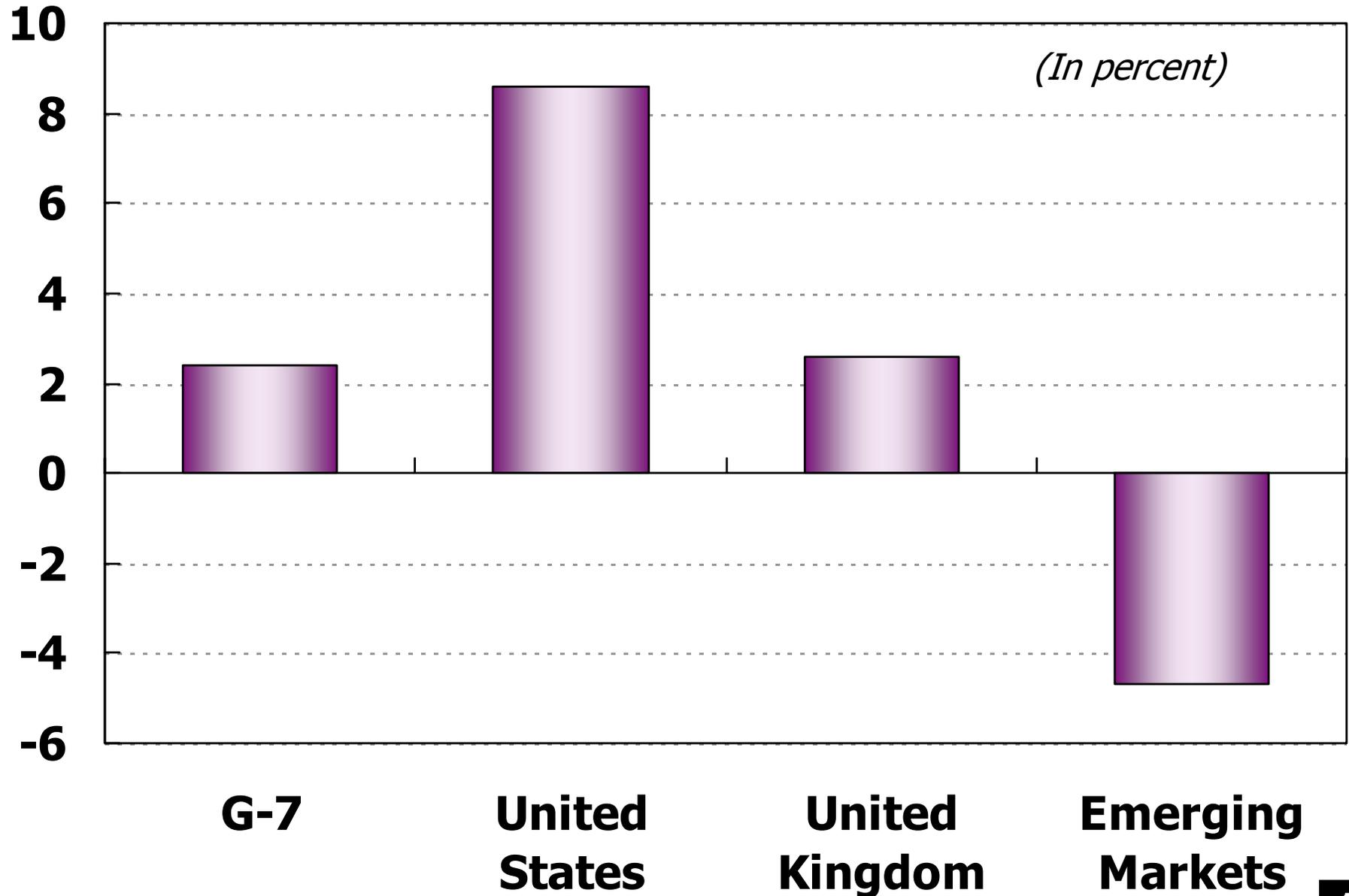
Source: U.S. Treasury.

# U.S. Valuation Changes in NFA and REER



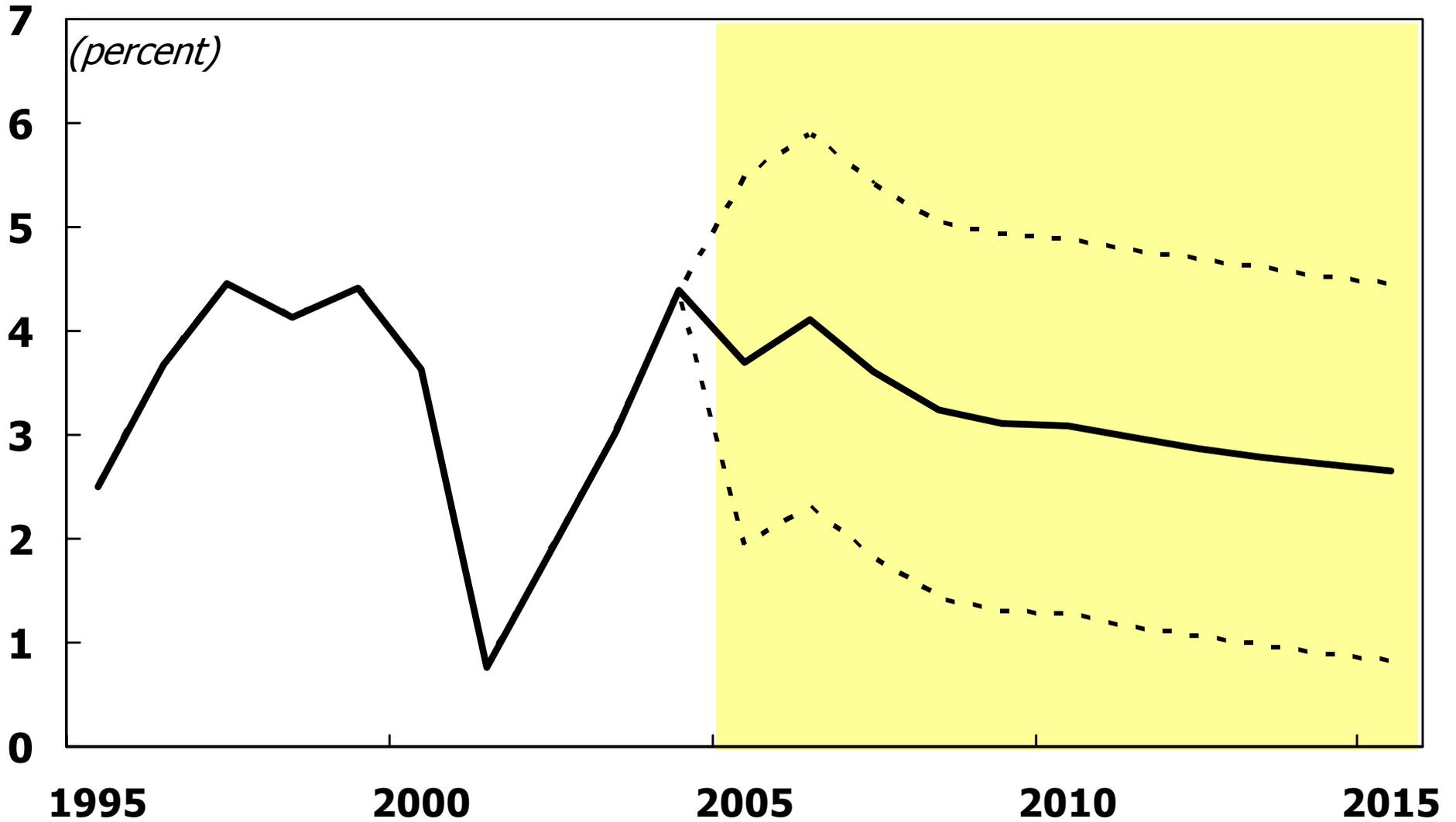
Source: Bureau of Economic Analysis; IMF.

# Internal Rates of Return on Invested Capital (1994-2003)



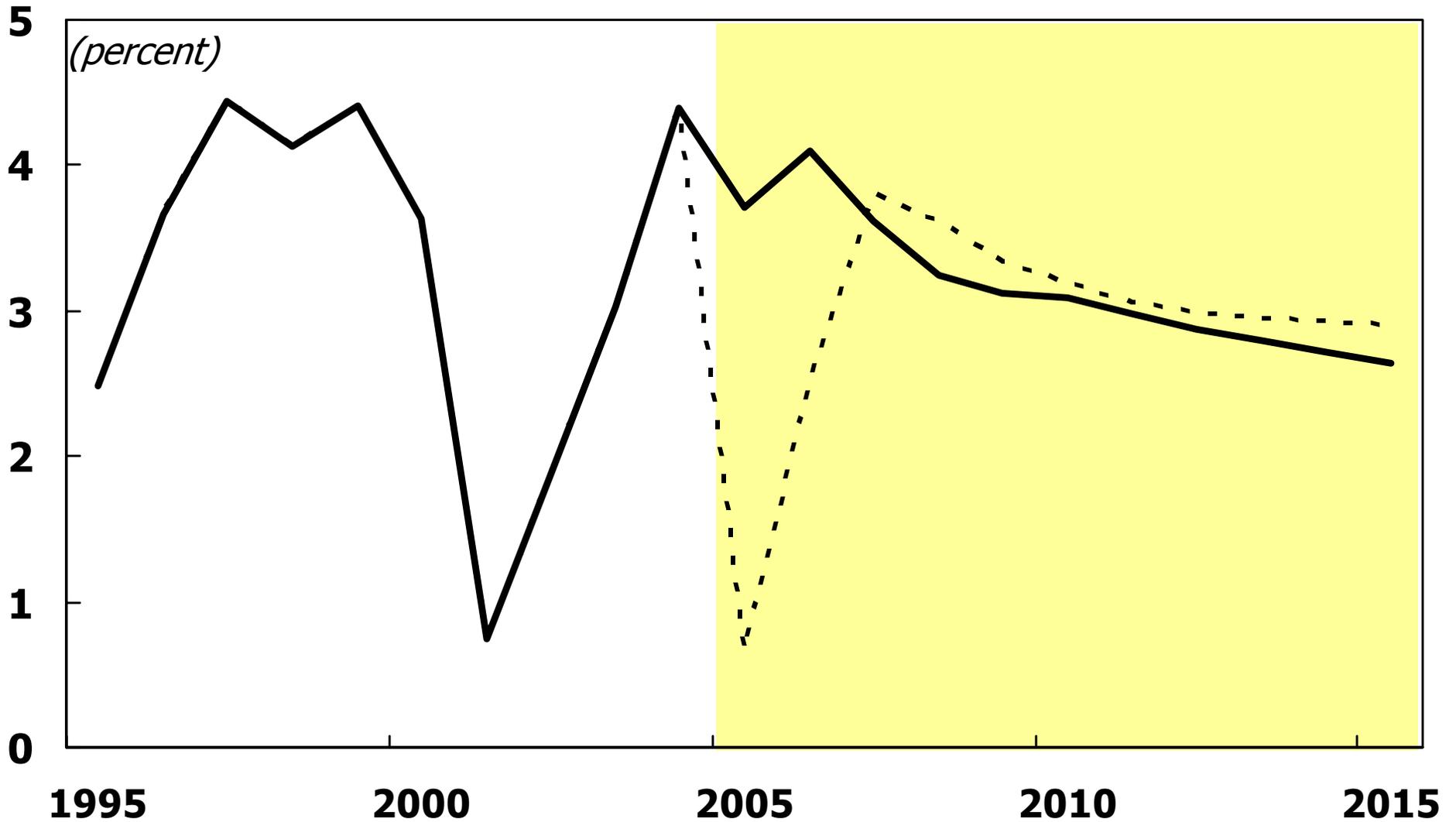
# U.S. Output Growth: Baseline Scenario

— Baseline      - - - - - Confidence interval



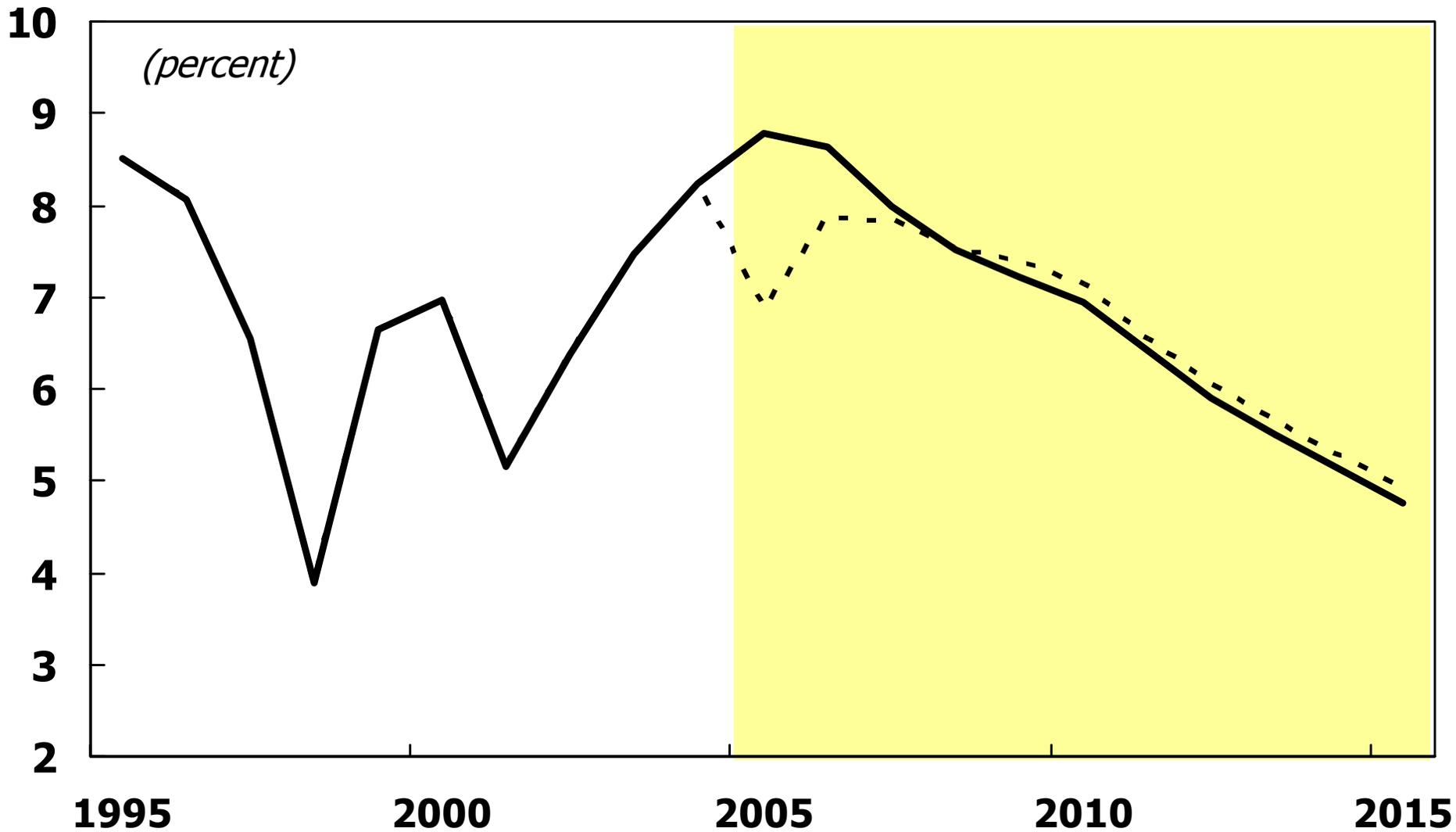
# U.S. Output Growth: Disruptive Adjustment

— Baseline scenario    - - - - Disruptive adjustment



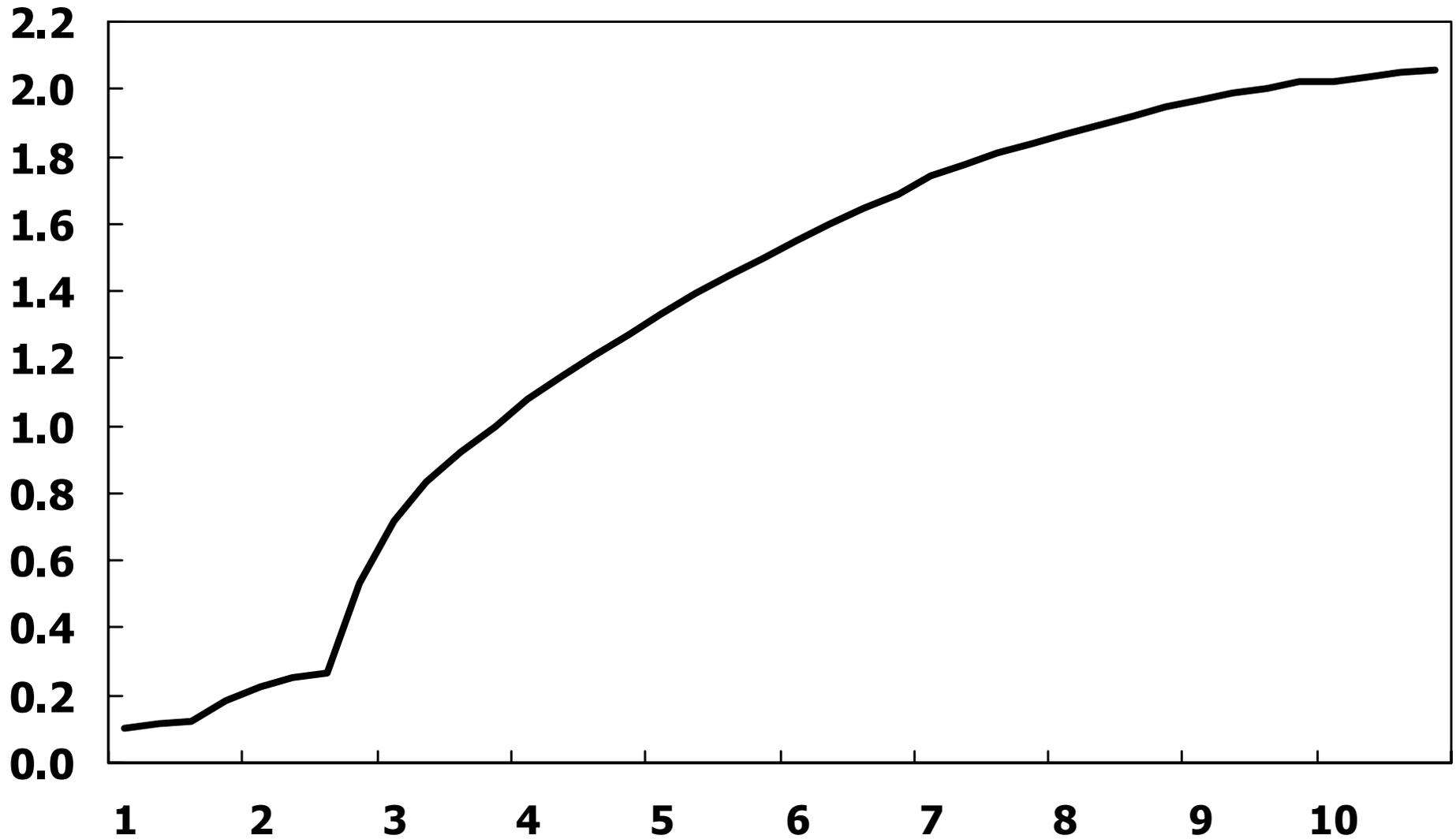
# Emerging Asia: Effect of Greater Exchange Rate Flexibility On Output Growth

— Baseline scenario      - - - - Flexible exchange rate for emerging Asia



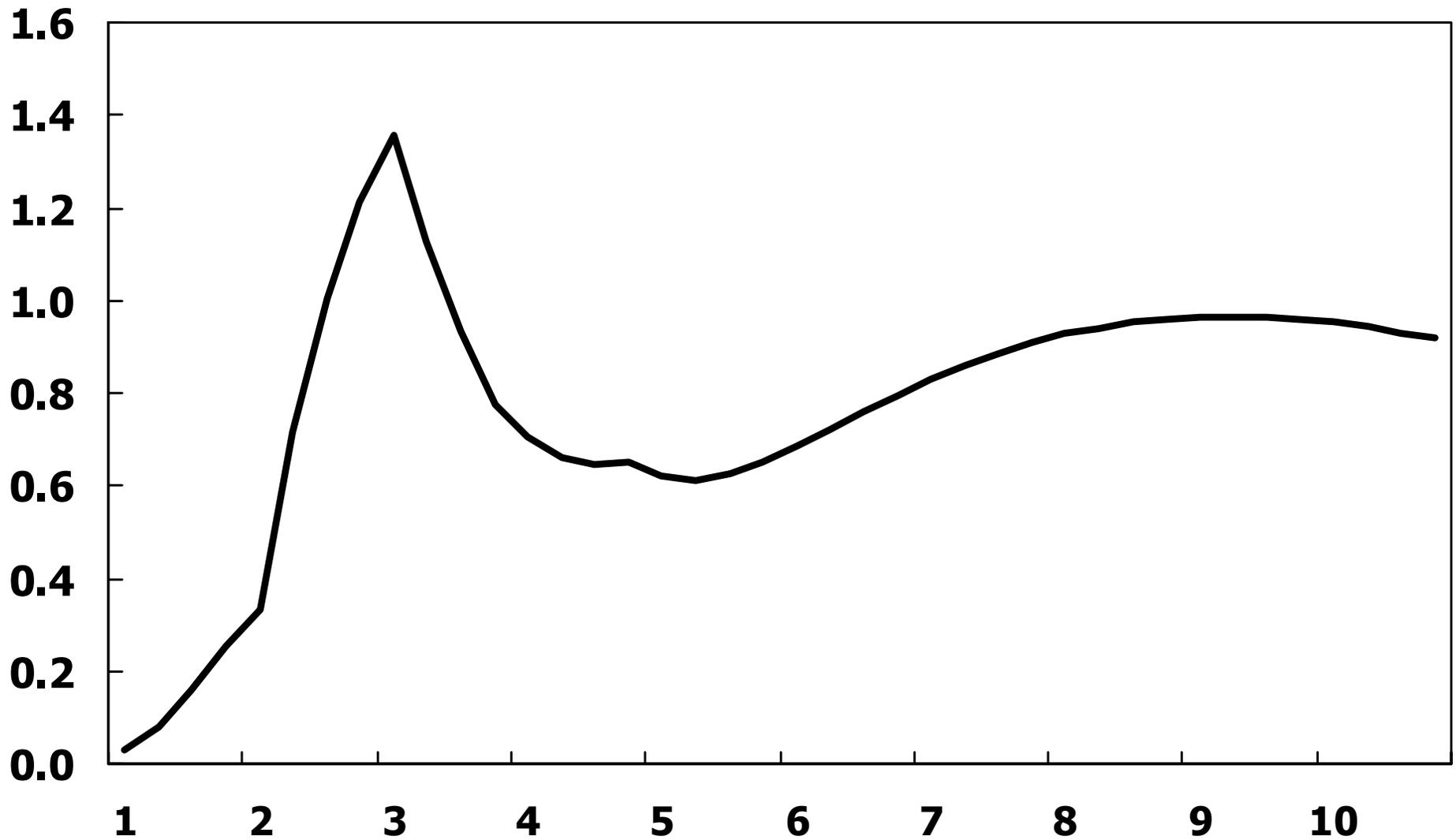
# U.S.: Incremental Effects of Fiscal Consolidation in the U.S. On Current Account Balance

*(Deviation from baseline, in percent of GDP; x-axis in calendar years)*



# Japan and Euro Area: Incremental Effects of Competition-Friendly Policies in Europe and Japan on Output Growth

*(Deviation from baseline, in percent; x-axis in calendar years)*



# Scenarios for Global Adjustments: Effects on U.S. Current Account Balance

- Baseline
- - - Flexible exchange rate for emerging Asia
- . - Fiscal adjustment for U.S.
- Structural reform in Europe and Japan

