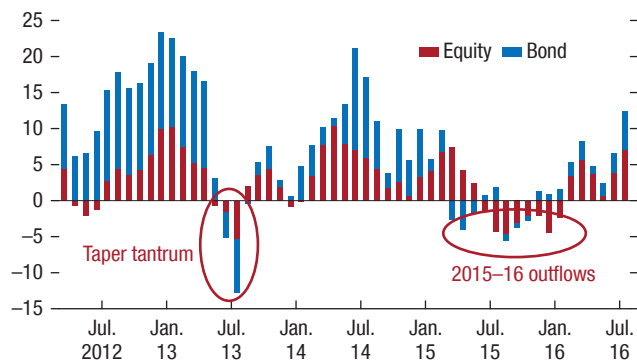


**Figure 1.22. Portfolio Flows to Emerging Market Economies and Asset Prices**

Portfolio flows to emerging market economies have rebounded since March ...

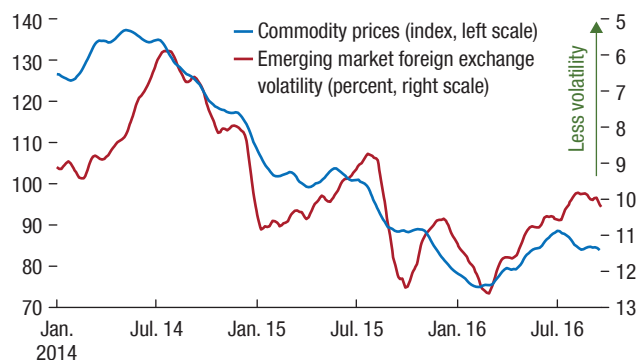
**1. Nonresident Portfolio Inflows to Emerging Market Economies (Billions of U.S. dollars)**



Sources: Bloomberg L.P.; and IMF staff calculations.  
 Note: Bond flows include India, Indonesia, Mexico, Russia, South Africa, Thailand, and Turkey. Equity flows include Brazil, India, Indonesia, the Philippines, South Africa, Thailand, and Turkey.

Stability in commodity prices and low currency volatility, along with ...

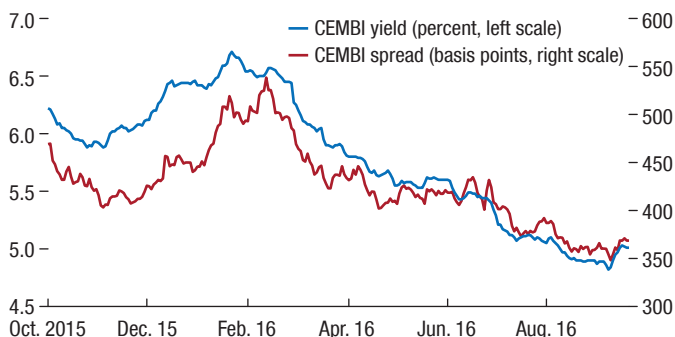
**3. Commodity Prices and Emerging Market Foreign Exchange Volatility (Twenty-day moving average)**



Source: Bloomberg L.P.

... and the low return of advanced economy assets has boosted the attractiveness of emerging market economy assets.

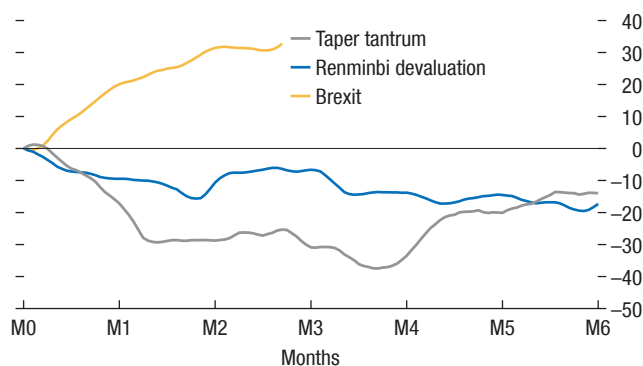
**5. Emerging Market Corporate U.S. Dollar Bond**



Sources: Bloomberg L.P.; JPMorgan & Chase Co; and IMF staff calculations.  
 Note: CEMBI = Corporate Emerging Markets Bond Index.

... and have so far proven more resilient to external shocks, such as Brexit, than before.

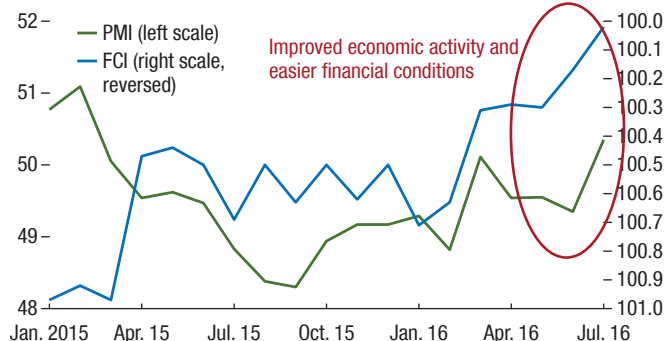
**2. Nonresident Portfolio Inflows to Emerging Market Economies (Billions of U.S. dollars, cumulative since each event)**



Sources: Bloomberg L.P.; and IMF staff calculations.  
 Note: Bond flows include India, Indonesia, Mexico, South Africa, and Thailand. Equity flows include Brazil, India, Indonesia, the Philippines, South Africa, Taiwan Province of China, and Thailand.

... economy-specific factors are supporting favorable sentiment in many emerging market economies ...

**4. Markit PMI and Goldman Sachs EM Financial Condition Index**



Sources: Goldman Sachs; and Markit.  
 Note: EM = emerging market; FCI = Financial conditions index; PMI = purchasing managers' index.