

States and the eurozone, lightening of geopolitical tensions and the consequent easing in the price of oil.

Overall, although the global economy remains unusually fragile, the risks to growth are now somewhat lower than at the end of 2011. This reflects smaller dispersion in the expectations for oil prices, term spreads and general volatility. According to the IMF, the risk of a serious global slowdown in 2012 is now very small (about 1 percent).