the euro area and Japan: fiscal stimulus was larger; the nonfinancial corporate sector is less reliant on bank credit, which remains constrained, whereas bond markets have staged a comeback; non-financial corporate balance sheets are stronger and rapid restructuring has boosted productivity; and the Federal Reserve reacted earlier and with larger policy rate cuts to lower levels in real terms. In contrast, the large appreciation of the yen may have weighed on the recovery of Japan's exports, which fell sharply during the global trade slump, and the re-emergence of deflation has pushed up real borrowing rates and wages. The euro area's trade links with troubled emerging European and Commonwealth of Independent States (CIS) economies and the euro's intermittent appreciation have curbed the euro area's exports. In addition, several euro area economies were hit particularly hard by the financial and real estate crises.

TABLE 1-1

Real GDP Growth (%) in Selected Economies (2006-2009 and forecast 2010)

	2006	2007	2008	2009	2010
World	5.1	5.2	3.0	-0.6	4.2
Advanced Economies	3.0	2.8	0.5	-3.2	2.3
Canada	2.9	2.5	0.4	-2.6	3.1
United States	2.7	2.1	0.4	-2.4	3.1
United Kingdom	2.9	2.6	0.5	-4.9	1.3
Japan	2.0	2.4	-1.2	-5.2	1.9
Euro Area	3.0	2.8	0.6	-4.1	1.0
of which France	2.4	2.3	0.3	-2.2	1.5
of which Germany	3.2	2.5	1.2	-5.0	1.2
of which Italy	2.0	1.5	-1.3	-5.0	0.8
Developing Economies	7.9	8.3	6.1	2.4	6.3
China	11.6	13.0	9.6	8.7	10.0
India	9.8	9.4	7.3	5.7	8.8
Russia	7.7	8.1	5.6	-7.9	4.0
Brazil	4.0	6.1	5.1	-0.2	5.5
Mexico	4.9	3.3	1.5	-6.5	4.2
ASEAN-5	5.7	6.3	4.7	1.7	5.4
Indonesia	5.5	6.3	6.0	4.5	6.0
Malaysia	5.8	6.2	4.6	-1.7	4.7
Philippines	5.3	7.1	3.8	0.9	3.6
Thailand	5.1	4.9	2.5	-2.3	5.5
Vietnam	8.2	8.5	6.2	5.3	6.0
NIEs	5.8	5.8	1.8	-0.9	5.2
Hong Kong	7.0	6.4	2.1	-2.7	5.0
Korea	5.2	5.1	2.3	0.2	4.5
Singapore	8.7	8.2	1.4	-2.0	5.7
Taiwan	5.4	6.0	0.7	-1.9	6.5

Source: IMF World Economic Outlook database, April 2010.