

ASSUMPTIONS AND CONVENTIONS

A number of assumptions have been adopted for the projections presented in the *World Economic Outlook*. It has been assumed (1) that real effective exchange rates will remain constant at their average levels during January 30–February 27, 2008, except for the currencies participating in the European exchange rate mechanism II (ERM II), which are assumed to remain constant in nominal terms relative to the euro; (2) that established policies of national authorities will be maintained (for specific assumptions about fiscal and monetary policies in industrial countries, see Box A1); (3) that the average price of oil will be \$95.50 a barrel in 2008 and \$94.50 a barrel in 2009, and remain unchanged in real terms over the medium term; (4) that the six-month London interbank offered rate (LIBOR) on U.S. dollar deposits will average 3.1 percent in 2008 and 3.4 percent in 2009; (5) that the three-month euro deposits rate will average 4.0 percent in 2008 and 3.6 percent in 2009; and (6) that the six-month Japanese yen deposit rate will yield an average of 1.0 percent in 2008 and of 0.8 percent in 2009. These are, of course, working hypotheses rather than forecasts, and the uncertainties surrounding them add to the margin of error that would in any event be involved in the projections. The estimates and projections are based on statistical information available through end-March 2008.

The following conventions have been used throughout the *World Economic Outlook*:

- . . . to indicate that data are not available or not applicable;
- to indicate that the figure is zero or negligible;
- between years or months (for example, 2006–07 or January–June) to indicate the years or months covered, including the beginning and ending years or months;
- / between years or months (for example, 2006/07) to indicate a fiscal or financial year.

“Billion” means a thousand million; “trillion” means a thousand billion.

“Basis points” refer to hundredths of 1 percentage point (for example, 25 basis points are equivalent to $\frac{1}{4}$ of 1 percentage point).

In figures and tables, shaded areas indicate IMF staff projections.

If no source is listed on tables and figures, data are drawn from the World Economic Outlook database.

When countries are not listed alphabetically, they are ordered on the basis of economic size.

Minor discrepancies between sums of constituent figures and totals shown are due to rounding.

As used in this report, the term “country” does not in all cases refer to a territorial entity that is a state as understood by international law and practice. As used here, the term also covers some territorial entities that are not states but for which statistical data are maintained on a separate and independent basis.