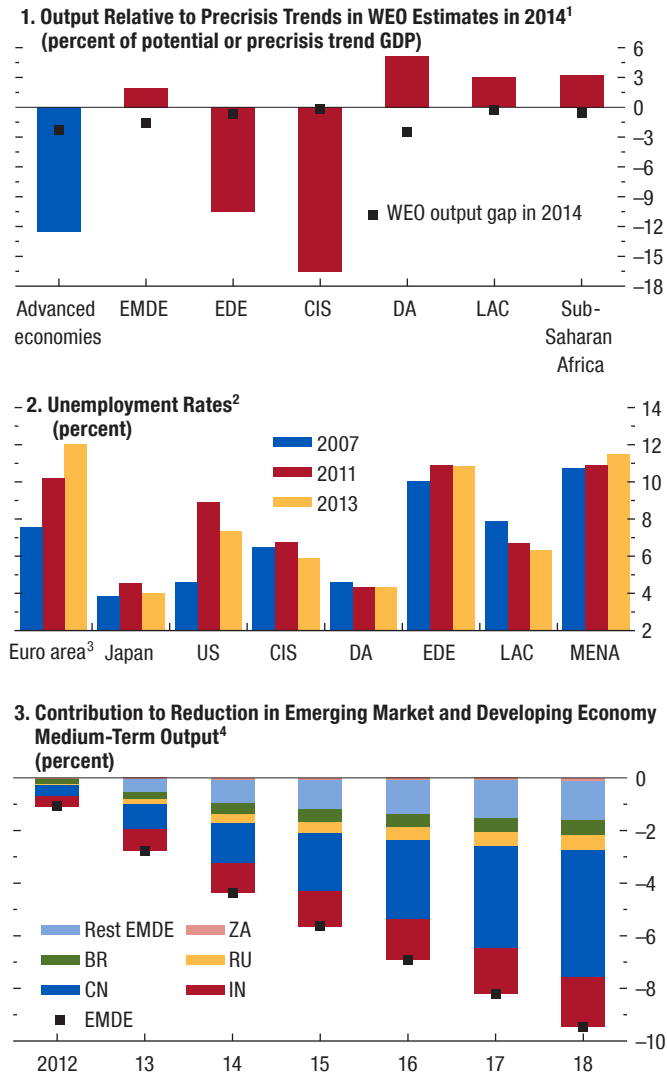


## Figure 1.6. Capacity, Unemployment, and Output Trend

Output in emerging and developing Asia, Latin America, and sub-Saharan Africa remains above precrisis trend, but WEO output gaps do not indicate output above capacity. Despite slowing economic growth, unemployment rates have continued to decline slightly in emerging Asia and Latin America. The IMF staff has revised down its estimates of medium-term output, responding to disappointments in the recent past. Sizable revisions to output in the so-called BRICs economies account for most of the downward revisions to emerging market and developing economies as a group.



Sources: Haver Analytics; IMF, *International Financial Statistics*; and IMF staff estimates.

Note: BR = Brazil; BRICS = Brazil, Russia, India, China, South Africa; CIS = Commonwealth of Independent States; CN = China; DA = developing Asia; EDE = emerging and developing Europe; EMDE = emerging market and developing market economies; IN = India; LAC = Latin America and the Caribbean; MENA = Middle East and North Africa; RU = Russia; US = United States; ZA = South Africa.

<sup>1</sup>Precrisis trend is defined as the geometric average of real GDP level growth between 1996 and 2006.

<sup>2</sup>Sub-Saharan Africa is omitted because of data limitations.

<sup>3</sup>Excludes Latvia.

<sup>4</sup>Relative to the September 2011 WEO; 2017 and 2018 output figures for the September 2011 WEO are extrapolated using 2016 growth rates.