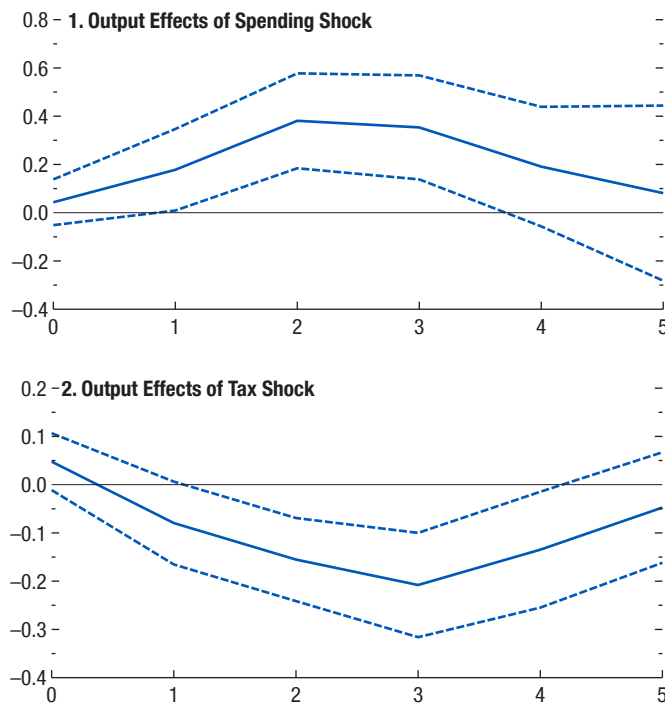


Annex Figure 4.3.2. Effects of Spending and Tax Shock on Recipient Countries' Output: Forecast Errors
(Percent; years on x-axis)



Source: IMF staff calculations.

Note: $t = 0$ is the year of respective shocks. Solid lines denote the response to respective shocks, and dashed lines denote 90 percent confidence bands. Effects are estimated based on shocks derived from forecast errors. Shocks are normalized to an average of 1 percent of GDP across source countries.