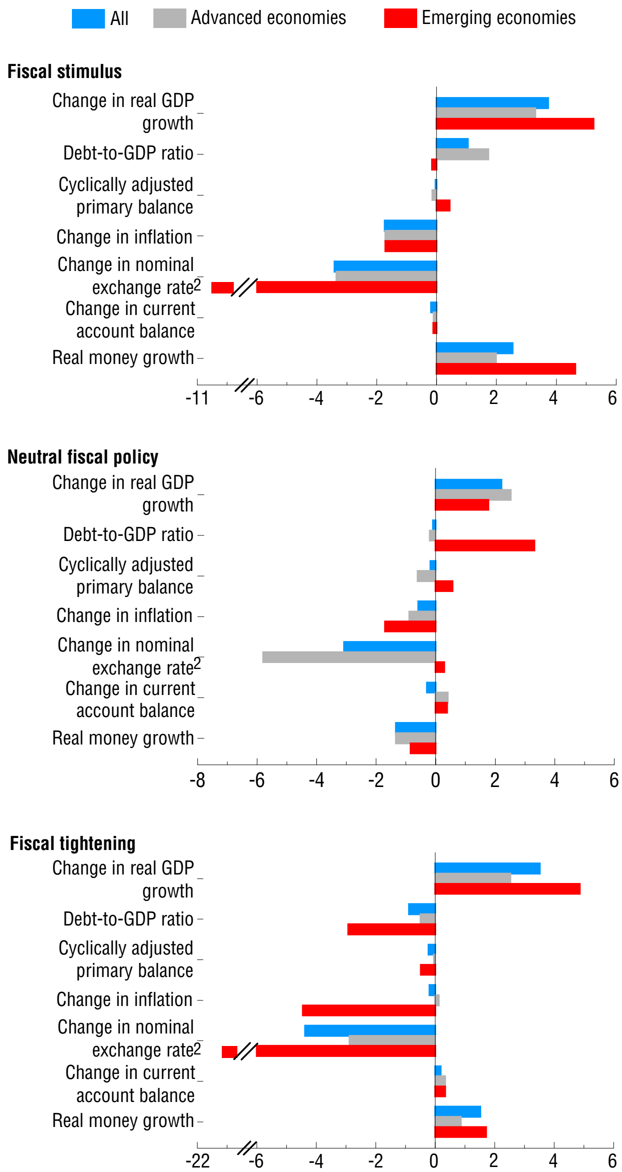
Figure 5.8. Macroeconomic Indicators after Downturns, with and without a Fiscal Stimulus[1]

The bar charts indicate changes in macroeconomic indicators from the year of downturn to the first year after downturn.



Source: IMF staff calculations.

[1]Fiscal stimulus during the first year of a downturn is defined as a decline in the cyclically adjusted primary balance to GDP below 0.25 percentage point of GDP.

[2]Exchange rate is given as local currency/U.S. dollar (+ sign denotes a depreciation). Value for emerging economies with fiscal stimulus is –10.5; with fiscal tightening –21.2.