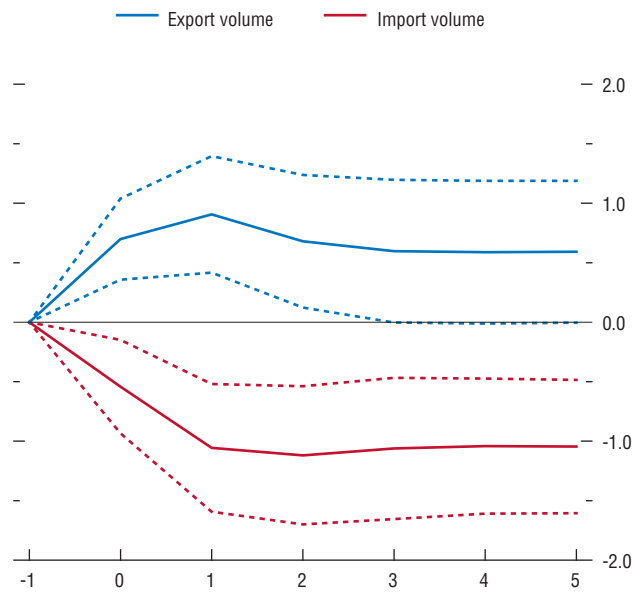


Figure 4.6. Effects on Export and Import Volumes of a 1 Percent of GDP Fiscal Consolidation

(Percent)

Import volumes fall and export volumes rise following a fiscal consolidation.



Source: IMF staff calculations.

Note: X-axis units are years, where $t=0$ denotes the year of consolidation. Dashed lines indicate the 90 percent confidence interval around the point estimate. Fiscal policy changes are action-based. The effect of a fiscal expansion would be the reverse of the response to a consolidation.