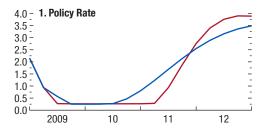
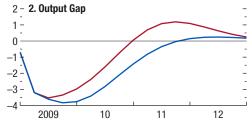
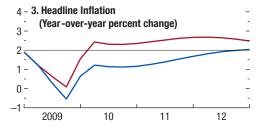
Figure 3.5.1. Forecast as Envisaged at 2009:Q2: Loss-Minimization versus Linear Reaction Function

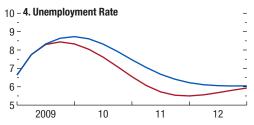
(Percent, unless noted otherwise)

Inflation-forecast-based reaction functionLoss minimization









Source: IMF staff estimates.