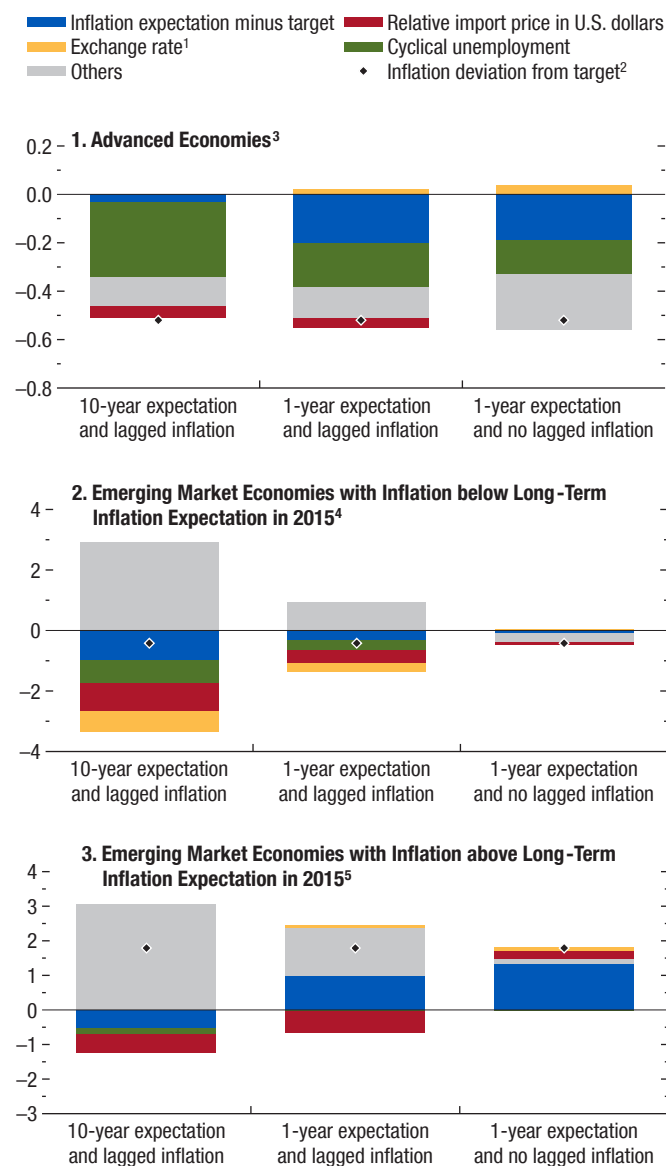


### Annex Figure 3.4.1. Contribution to Inflation Deviations from Targets Using Various Measures of Inflation Expectations



Sources: Consensus Economics; Haver Analytics; Organisation for Economic Co-operation and Development, Economic Outlook database; and IMF staff calculations.

Note: The figure reports average contributions in 2008–15.

<sup>1</sup> Exchange rate is defined as currency value per U.S. dollar.

<sup>2</sup> The target is defined as the average of 10-year inflation expectation in 2000–07.

Okun's law coefficients come from Ball and others 2016.

<sup>3</sup> Advanced economies in Annex Table 3.1.1. Estonia, Latvia, Lithuania, the Slovak Republic, and Slovenia are excluded as outliers.

<sup>4</sup> Bulgaria, China, Hungary, Malaysia, Mexico, Philippines, Poland, Romania, Thailand.

<sup>5</sup> Argentina, Brazil, Chile, Columbia, India, Indonesia, Peru, Russia, Turkey.