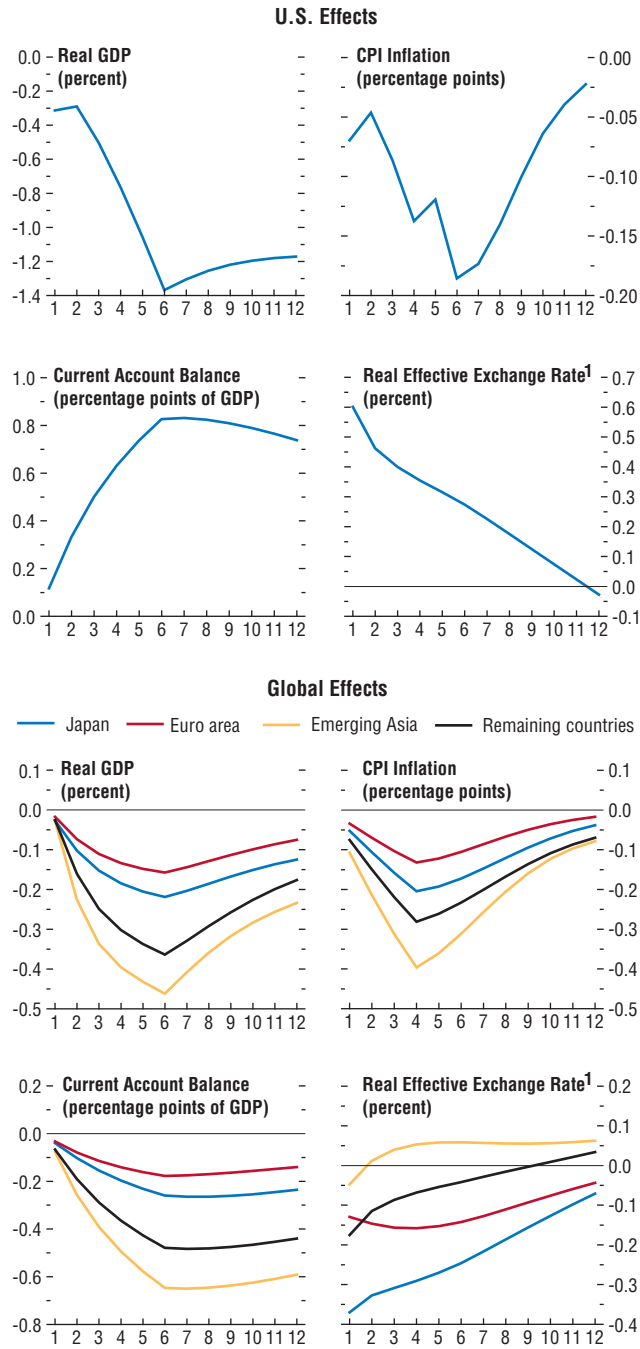


Figure 4.8. Global Implications of a Disturbance to U.S. Private Demand

(Deviations from control; x-axis in calendar quarters)

A temporary reduction in U.S. private demand lowers U.S. GDP, with a more than proportional fall in imports. The trade-related spillovers reduce GDP elsewhere, with the extent of the decline depending on the export exposure.



Source: IMF staff calculations.

¹Increasing values represent depreciating real effective exchange rates.